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Our Ref

Your Ref

Date: 26 February 2020

Dear Councillor,

Environmental and Development Services Committee

A Meeting of the **Environmental and Development Services Committee** will be held in the **Council Chamber**, on **Thursday, 05 March 2020 at 18:00**. You are requested to attend.

Yours faithfully,



Chief Executive

To:- **Conservative Group**

Councillor MacPherson (Chairman), Councillor Mrs. Haines (Vice-Chairman) and Councillors Billings, Mrs. Brown, Dawson, Fitzpatrick, Mrs. Patten, and Whittenham

Labour Group

Councillors Dunn, Mrs. Heath, Singh, Taylor and Tilley

AGENDA

Open to Public and Press

- | | | |
|-----------|---|------------------|
| 1 | Apologies and to note any Substitutes appointed for the Meeting. | |
| 2 | To note any declarations of interest arising from any items on the Agenda | |
| 3 | To receive any questions by members of the public pursuant to Council Procedure Rule No.10. | |
| 4 | To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11. | |
| 5 | KEY PERFORMANCE INDICATORS – LICENSING DEPARTMENT | 4 - 6 |
| 6 | PRIVATE HIRE CROSS BORDER ENFORCEMENT OPERATIONAL PROTOCOL | 7 - 19 |
| 7 | STRATEGIC HOUSING MARKET ASSESSMENT 2020 | 20 - 178 |
| 8 | EAST MIDLANDS AIRPORT INFORMATION MEETINGS | 179 - 180 |
| 9 | CONSULTATION ON DERBYSHIRE COUNTY COUNCIL'S DEVELOPER CONTRIBUTIONS PROTOCOL | 181 - 248 |
| 10 | EREWASH BOROUGH COUNCIL 2020 CORE STRATEGY REVIEW | 249 - 253 |
| 11 | COMMITTEE WORK PROGRAMME | 254 - 260 |

Exclusion of the Public and Press:

- 12** The Chairman may therefore move:-
- That in accordance with Section 100 (A)(4) of the Local Government Act 1972 (as amended) the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the

paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda.

- 13** To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11.
- 14** VISTOR INFORMATION REVIEW
- 15** STRUCTURE REVIEW ENVIRONMENTAL SERVICES

REPORT TO:	ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE	AGENDA ITEM: 5
DATE OF MEETING:	5th MARCH 2020	CATEGORY: DELEGATED/ RECOMMENDED
REPORT FROM:	CHIEF EXECUTIVE	OPEN/EXEMPT PARAGRAPH NO:
MEMBERS' CONTACT POINT:	EMMA MCHUGH 01283 595716 emma.mchugh@south-derbys.gov.uk	DOC:
SUBJECT:	KEY PERFORMANCE INDICATORS LICENSING DEPARTMENT	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1. Recommendations

- 1.1 That Members note the performance of the Licensing Department in relation to the Key Performance Indicators

2. Purpose of Report

- 2.1 To provide Members with an update on the Licensing Department and the Key Performance Indicators

3. Detail

- 3.1 As part of the audit of the Licensing Department held in 2014, service standards were put in place with regards to target times for the processing of complete applications and dealing with any complaints received by the Department.
- 3.4 The Licensing Department will provide a quarterly update as to the Department's performance against the service standards. The results for the previous quarter are:

Private Hire Licensing

Type of Licence Application	August 2019 to January 2020
Private Hire Vehicles (5 days)	100%
Private Hire Drivers (10 days)	100%
Private Hire Operators (5 days)	100%

Licensing Act 2003

Type of Licence Application	August 2019 to January 2020
Personal licence (10 days).	100%
Grant of premises licence (15 days after grant)	100%
Variation of designated premises supervisor (15 days after grant)	100%
Transfer of premises licence holder (15 days after grant)	100%
Variation of premises licence (15 days after grant)	100%
Minor variation of premises licence (15 days after grant)	100%
Temporary event notice (1 day)	100%

Enforcement

Type of Application	August 2019 to January 2020
Acknowledgement of complaint within 2 days	100%
Letter detailing works required within 10 days	100%
Notify complainant of outcome of investigation within 10 days	100%

4. Financial Implications

4.1 There are no financial implications to the Council.

5. Corporate Implications

Employment Implications

5.1 None

Legal Implications

5.2 None

Corporate Plan Implications

5.3 The service standards demonstrate that we support local businesses whilst protecting local residents which contribute directly to the corporate vision to make South Derbyshire a better place to live, work, and visit, and to the theme of sustainable growth and opportunity and safety and security.

Risk Impact

5.4 None

6. Community Impact

Consultation

6.1 None

Equality and Diversity Impact

6.2 None

Social Value Impact

6.3 None

Environmental Sustainability

6.4 None

REPORT TO:	ENVIRONMENTAL AND DEVELOPMENT SERVICE COMMITTEE	AGENDA ITEM: 6
DATE OF MEETING:	5th MARCH 2020	CATEGORY: DELEGATED/ RECOMMENDED
REPORT FROM:	CHIEF EXECUTIVE	OPEN/EXEMPT PARAGRAPH NO:
MEMBERS' CONTACT POINT:	EMMA McHUGH 01283 595 716 emma.mchugh@south-derbys.gov.uk	DOC:
SUBJECT:	PRIVATE HIRE CROSS BORDER ENFORCEMENT OPERATIONAL PROTOCOL	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1. Recommendations

- 1.1 That the Cross Border Enforcement Operational Protocol is approved and Officers are authorised to take the necessary steps to finalise the Protocol.
- 1.2 That delegation of the specified private hire licensing enforcement functions to North West Leicestershire District Council and East Staffordshire Borough Council is approved in line with the above Protocol
- 1.3 That reciprocal delegation of specified private hire licensing enforcement functions from North West Leicestershire District Council and East Staffordshire Borough Council is approved in line with the above Protocol.

2. Purpose of Report

- 2.1 To provide Members with the necessary information to be able to give full consideration to the recommendations contained in paragraph 1 of this report.

3. Detail

- 3.1 In October 2010, in the case of Stockton on Tees Borough Council v Fidler, Hussain and Zamanian (2010 EWHC 2430), the High Court ruled that a hackney carriage and driver licensed in one controlled district may work in another controlled district. They are able to undertake private hire work allocated to the driver through a licensed operator, without the driver, vehicle or operator being licensed by the Local Authority for that controlled district.
- 3.2 In addition, following the introduction of the Deregulation Act 2015 in October 2015, private hire operators can sub-contract to licensed operators outside of the controlled area within which they are licensed. As a result of the ruling and the

changes to legislation, it has become increasingly difficult to regulate drivers and vehicles operating within South Derbyshire licensed by other authorities, in particular North West Leicestershire District Council and East Staffordshire Borough Council.

- 3.3 Under the Local Government (Miscellaneous Provisions) Act 1976 (“the Act”), enforcement action against private hire vehicles and drivers can only be undertaken by authorised officers of the licensing authority who issued the licence. Therefore, the Council is unable to take any enforcement action against vehicles and drivers working within our District that are licensed by other Authorities.
- 3.4 During enforcement initiatives, Officers will stop out of district vehicles and drivers to carry out checks but if issues are found, Officers have no authority to take any action against the vehicle or driver at the time i.e. suspension of their licence. Any issues have to be reported to the issuing Authority for any action to be taken. In order to address this issue and to try and improve driver and vehicle standards, Officers have worked with the other two Licensing Authorities to find a way to work in partnership and conduct enforcement across licensing boundaries.
- 3.6 Section 101 of the Local Government Act 1972 permits the Council to make arrangements to delegate the exercise of its function of private hire licensing enforcement to another Local Authority whilst still exercising the function itself. The other Local Authority would then deal with the enforcement function as if it were their own. That Authority can put appropriate delegations in place and appoint authorised officer’s in its own organisation to undertake enforcement against South Derbyshire licensed vehicles and drivers operating in that Authority’s area. In addition, North West Leicestershire District Council and East Staffordshire Borough Council are in the process of obtaining the necessary authorisations for South Derbyshire Officers to take enforcement action against their vehicles and drivers operating in South Derbyshire.
- 3.7 In order to ensure this transfer of function works well at an operational level, a Cross Border Enforcement Operational Protocol has been drafted which details how the cross border enforcement will work and how the information gathered through enforcement would be shared by the Authorities. A copy of the protocol is attached as **Appendix 1**. If approved, the Protocol will be signed by all three Authorities. The Protocol provides that all authorities listed will, before signing the Protocol, provide written evidence to each other confirming the delegation of the enforcement powers.
- 3.8 The Protocol sets out at Appendix 2 which enforcement powers would be delegated to other licensing authorities. They are limited to the following sections under the Act:
- Section 53(3) – production of driver’s badge/licence for inspection to an authorised officer
 - Section 68 – authorised officer can require a vehicle to be inspected and tested at reasonable times and suspend the vehicle licence if not satisfied as to the vehicles fitness.
 - Section 73 - obstruction of an authorised officer.

The Council will also continue to carry out these enforcement functions. Any decisions which may need to be taken in relation to a licence following any enforcement action above would be passed back to the relevant Authority to be

dealt with. All Committee action will continue to be taken by each respective Authority.

4. Financial Implications

4.1 There are no financial implications to the Council.

5. Corporate Implications

Employment Implications

5.1 None

Legal Implications

5.2 None

Corporate Plan Implications

5.3 These proposals will continue to demonstrate to members of the public that the Council takes the protection of local residents, children, and vulnerable adults from the potential harms of private hire licensing seriously, which contributes to the value of taking pride in our place and striving for excellence in all we do.

Risk Impact

5.4 None

6. Community Impact

Consultation

6.1 Consultation has taken place with East Staffordshire Borough Council and North West Leicestershire District Council.

Equality and Diversity Impact

6.2 None

Social Value Impact

6.3 The proposals will protect all residents in South Derbyshire from the potential harms of private hire licensing.

Environmental Sustainability

6.4 None

7. Background Papers

Local Government (Miscellaneous Provisions) Act 1976



**CROSS BORDER
ENFORCEMENT
OPERATIONAL PROTOCOL
PRIVATE HIRE & HACKNEY
CARRIAGE VEHICLES & DRIVERS**

**South Derbyshire District Council
East Staffordshire Borough Council
North West Leicestershire District Council**

Version: V1
Date:
Amendments:

1. APPLICATION AND BACKGROUND

- 1.1 This Operational Protocol ("Protocol") applies to the Partner Council's listed in the Schedule attached. The purpose of this Protocol is to facilitate the discharge of the Delegated Powers by Authorised Officers of the Partner Councils in relation to Private Hire and Hackney Carriage Vehicles and Drivers. The Protocol encourages a collaborative working partnership between all Partner Councils
- 1.2 This Protocol is intended to bind a Partner Council from the date of their signature hereto as reflected in Appendix 1 and will cease to apply to a Partner Council either by the withdrawal of the Delegated Power in accordance with paragraph 1.3 below or upon the expiry of 3 months written notice given to all other Partner Council(s) which ever shall occur first.
- 1.3 Notwithstanding the terms and conditions of this Protocol, it does not prejudice the right of any Partner Council to withdraw the Delegated Powers at any time or to exercise the Delegated Powers concurrently. However each Partner Council undertakes not to withdraw the Delegated Powers unreasonably.
- 1.4 For the avoidance of doubt, this Protocol shall cease to bind a Partner Council if the Delegated Functions ever become the responsibility of the Executive of that Council.

2. INTERPRETATION

- 2.1 For the purposes of this Protocol the following words or phrases shall have the following meaning:

Authorised Officers	Officers authorised by a Partner Council under section 80 of the 1976 Act
Contact Officer	a designated officer of a Partner Council for the purpose specified at Clause 3.3 of this Protocol.
Controlled District	an area in relation to which a resolution has been passed by a district council under section 45 of the 1976 Act applying Part II of that Act
Delegated Powers	the powers identified in Appendix 2
Enforcement Action	any action to be taken by a Partner Council as a result of information obtained from the exercise of the Delegated Powers of whatever nature

Hackney Carriage Vehicle	a vehicle licensed under section 37 of the 1847 Act
Hackney Carriage Driver	a driver licensed as such under section 46 of the 1847 Act
Licensing Partner Council	the Partner Council which has issued the licence for the vehicle/driver concerned
Partner Council	any Council listed in Appendix 1 to this Protocol
Personal Data	any information relating to an identified or identifiable natural person (data subject); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person
Private Hire Vehicle	a vehicle licensed under section 48 of the 1976 Act
Private Hire Driver	a driver licensed as such under section 51 of the 1976 Act
1976 Act	the Local Government (Miscellaneous) Provisions Act 1976
1847 Act	the Town and Police Clauses Act 1847

3. WORKING ARRANGEMENTS

- 3.1 Authorised Officers may discharge the Delegated Powers in respect of Private Hire and Hackney Carriage Vehicles and Drivers licensed by any other Partner Council whilst such a vehicle and/ or driver are in the Controlled District of the Authorised Officer.
- 3.2 Each Partner Council will designate a Contact Officer to whom information, concerns and intelligence gathered in relation to any of its licensed Private Hire and Hackney Carriage Vehicles or Drivers can be passed by secure means, digitally or otherwise and in compliance with section 4 of this Protocol.

- 3.3 Where Enforcement Action is deemed necessary as a result of an exchange of information under 3.2 above the Partner Council supplying that information will provide all reasonable and necessary assistance to the Licensing Partner Council, including, if necessary the provision of witness statements and attendance at court.
- 3.4 In relation to the exercise of the Power under section 53 of the 1976 Act, an Authorised Officer requiring a hackney carriage/private hire driver to produce his driver's licence for inspection at the principal offices of their Licensing Partner Council shall both:
- a) warn the driver of the criminal offence committed if there is a failure to comply with his request, without a reasonable excuse and
 - b) notify the Licensing Partner Council as soon as reasonably practicable, of the request and provide the relevant details of the action in writing.
- 3.5 In relation to the exercise of the Power under section 68 of the 1976 Act:
- a) if an Authorised Officer is not satisfied as to the fitness of a hackney carriage or private hire vehicle they may suspend the vehicle licence until such time as an Authorised Officer of the Licensing Partner Council is so satisfied as to its condition.
 - b) if an Authorised Officer suspends the vehicle licence written notification of the suspension must be given by the Authorised Officer to the Licensing Partner Council as soon as practicable as well as to the proprietor of the vehicle.
- 3.6 Enforcement of the Power under section 68 of the 1976 Act rests with the Licensing Partner Council which authorised the officer.
- 3.7 Where a joint operation between Partner Councils is being carried out Authorised Officer's remain at all times the responsibility of the Partner Council by whom they are authorised and will provide all reasonable and necessary assistance to any other Partner Council involved in the operation. The Contact Officers of the Partner Councils involved in the joint operation will agree which Authorised Officer will be appointed to oversee the operation. Risk assessments should be carried out by the Lead Authority in any operation and agreed in advance with the relevant Partner Councils.
- 3.8 Unless there is prior agreement between Partner Councils no reimbursement will be made by one Partner Council to another for time spent/ cost incurred by any Authorised Officer in the exercise of any of the Delegated Powers pursuant to this Protocol.

- 3.9 Partner Councils will be solely responsible for the Health and Safety of their own Authorised Officers and provide training, support and assistance suitable to the role as required.

4. TRANSFER OF INFORMATION/INTELLIGENCE BETWEEN PARTNER COUNCILS

- 4.1 Information and intelligence shared by Partner Councils should be concise and accurate and provided in a timely manner to the relevant Contact Officer. Personal data should only be shared for a specific lawful purpose or where appropriate consent has been obtained.
- 4.2 This Protocol does not give license for unrestricted access to information another partner may hold. It sets out the parameters for the safe and secure sharing of information for a justifiable need to know purpose.
- 4.3 Partners are responsible for ensuring that their organisational and security measures protect the lawful use of information shared under this agreement.
- 4.4 Partners will ensure that a reasonable level of security is applied to all data held appropriate to the level of risk and in accordance with the Data Protection Act 2018.
- 4.5 Partners' employees processing information shared under this Protocol are expected to be trained to a level that enables them to undertake their duties confidently, efficiently and lawfully.
- 4.6 Each partner has the power to audit the other to ensure compliance with this Protocol.
- 4.7 Partners should have procedures in place to report misuse, loss, destruction, damage or unauthorised access, suspected or otherwise, of information. The partnership organisation originally supplying the information should be notified of any breach of confidentiality or incident involving a risk or breach of the security of information supplied under this agreement.
- 4.8 Personal data shall not be transferred to a country or territory outside the EEA without an adequate level of protection for the rights and freedoms of the data subject in relation to the processing of personal data.
- 4.9 All Partner Councils agree:
- a) To process Personal Data and information fairly and lawfully;
 - b) To keep the Personal Data confidential at all times and ensure it is used only for the purpose intended.

- c) The Personal Data held will be secured and disclosed solely for the discharge of the defined delegated powers or as otherwise required by law. The data must and will not be used for any other purpose.
- d) Requests for information received from an individual or organisation not party to this Protocol, whether for Personal Data or other information, shall be answered by the Partner Council receiving such a request in accordance with the relevant legislation, but before making a decision as to disclosure the relevant party it shall first consult such other Partner Council(s) as may be required.
- e) Personal Data shall only be accessed or disclosed by or to Authorised Persons.
- f) For the avoidance of doubt Personal Data held by any Partner Council is held by that Council as data controller and each Partner Council agrees to fulfil all its obligations under the Data Protection Act 2018 and successor legislation including the General Data Protection Regulation.
- g) Any request for information by a Partner Council to another shall be answered promptly where such request is for the purpose of meeting or delivering the discharge of the Delegated Powers; but any such request will only be answered where to do so does not breach the Data Protection Act 2018 and successor legislation including the General Data protection Regulation, the Freedom of Information Act 2000; and/or other legislation
- h) Personal Data shall be retained for no longer than 12 months after which are shall be securely destroyed or, in the case of a prosecution by the Licensing Partner Council, until that prosecution has been discharged.

5. RESPONSIBILITIES AND ACTIONS OF PARTNER COUNCIL'S

- 5.1 The employing Partner Council shall be liable for the actions of the Authorised Officers within its employ and shall take all reasonable steps to ensure the competence of those persons in carrying out their functions and that they comply with legislative requirements and the spirit of this Protocol.
- 5.2 Information/intelligence provided between Partner Councils shall be used for the purpose intended and shall not be divulged to third parties unless to do so would be lawful.

6. SIGNATORY PARTNER COUNCILS

- 6.1 Before signing this Protocol each Partner Council will provide written evidence to each other Partner Council of its resolution in accordance

with it constitution confirming the delegation of the Delegated Powers to the other Partner Councils pursuant to section 101 of the Local Government Act 1972 and its appropriate authority to enter into reciprocal arrangements for the exercise of those Delegated Powers.

DRAFT



**South
Derbyshire**
District Council

South Derbyshire District Council

Name: Frank McArdle

Position: Chief Executive

Signature.....
On behalf of South Derbyshire District Council

Date:

Appendix 1

LIST OF COUNCILS

East Staffordshire Borough Council
North West Leicestershire District Council
South Derbyshire District Council

DRAFT

Appendix 2

DELEGATED POWERS

Local Government (Miscellaneous) Provisions Act 1976

- | | |
|---------------|---|
| S53(3) | produce drivers badge/licence for inspection |
| S68 | to inspect and test vehicles at reasonable times and suspend the licence if not satisfied as to their fitness. |
| S73 | obstruction of authorised officer |

REPORT TO:	ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE	AGENDA ITEM: 7
DATE OF MEETING:	5th MARCH 2020	CATEGORY: (See Notes) DELEGATED or RECOMMENDED
REPORT FROM:	ALLISON THOMAS	OPEN
MEMBERS' CONTACT POINT:	KAREN BEAVIN, 01283 595749 karen.beavin@southderbyshire.gov.uk	DOC:
SUBJECT:	STRATEGIC HOUSING MARKET ASSESSMENT 2020	
WARD(S) AFFECTED:	ALL WARDS	TERMS OF REFERENCE: EDS 03

1.0 Recommendations

- 1.1 That the Committee notes the content of the report together with the Strategic Housing Market Assessment (SHMA) 2020 Executive Summary (at Appendix 1).
- 1.2 That the Committee endorses the SHMA 2020 to be used both as required by the adopted Local Plan and as a material consideration, to assist in the determination of planning applications.
- 1.3 That the Committee endorses the production of a draft Affordable and Specialist Housing Supplementary Planning Document (SPD), to be brought to this Committee prior to public consultation.

2.0 Purpose of the Report

- 2.1 To enable the new SHMA to be endorsed by the Committee. The updated SHMA was commissioned in June 2019 following the publication of the revised National Planning Policy Framework (NPPF) in February 2019. The SHMA provides an overarching perspective on housing requirements from all sectors across the District.
- 2.2 This piece of research will be used to inform future planning negotiations and decisions relating to new housing, including affordable housing across the District.

3.0 Executive Summary

- 3.1 The SHMA was commissioned by the Council in June 2019 to provide a holistic evidence-based piece of research that could be used to inform decision making within Planning and Strategic Housing.

- 3.2 Initially the Strategic Housing Team explored the possibility of undertaking a Housing Market Area-wide SHMA with Amber Valley Borough Council and Derby City Council, however the timing was not right for the local plan production of those authorities.
- 3.3 The research methodology was compiled to ensure that the future housing requirements of the District are captured, including specialist groups, enabling informed decisions to be made about the type, tenure, design and location of new homes across South Derbyshire.
- 3.4 The main findings from the SHMA are summarised within the Executive Summary at Appendix 1. The full report is attached as Appendix 2.

4.0 Detail

- 4.1 Since the last SHMA was produced in 2013, there have been many changes to both the housing market and the NPPF. This SHMA focuses in detail on the future housing needs of the District and will provide greater transparency for developers who want to invest in South Derbyshire.
- 4.2 The SHMA provides a holistic evidence base that incorporates historic data, predicted trends and current information relating to housing need from the Housing Register. The SHMA will assist many service areas across the Council and will inform decisions relating to new build Council housing, acquisitions, regeneration, asset management and planning, as well as assisting joint working with neighbouring Councils to ensure new housing on the Derby Fringe reflects actual demand.
- 4.3 The SHMA provides the evidence for what was already known anecdotally relating to specialist housing, lifetime homes requirements and vulnerable households. The study evaluates socio-economic and health data sourced from ONS (Office of National Statistics), POPPI, (Projecting Older People Population Information), Public Health England, the Census 2001 and 2011 and CoRe¹ data, and analyses information from the Council's datasets relating to housing requirements, dwelling types and stock condition within the District.
- 4.4 The affordability ratio across South Derbyshire averages 6.96, which means the average cost of purchasing market housing is nearly seven times the average salary for the District. This figure has increased from 4.22 since 2002. This compares to the national equivalent of 5.12 in 2002 rising to 8.00 in 2018. There is a need for 325 social and affordable rented homes per year for the remainder of the Local Plan period, that is to 2028. At a sub-market level, this can be broken down to 107 homes in the Derby Fringe, 162 homes in the Swadlincote and South Fringe and 58 homes in the North West Fringe.
- 4.5 The SHMA supports the delivery of affordable housing for rent to be weighted towards the delivery of social rented housing above affordable rented housing. This will help to ensure social housing rents stay well below Local Housing Allowance (LHA) rates and that homes are genuinely affordable irrespective of what part of the District they are built in.
- 4.6 The evidence supports that shared ownership is the most appropriate form of affordable home ownership. However, based on affordability analysis, there is a

¹ The continuous recording of lettings and sales in social housing in England (referred to as CoRe) is a national information source that records information on the characteristics of both private registered providers and local authority new social housing tenants and the homes they rent

surplus (22 homes) of affordable home ownership per year. Where alternative forms of affordable home ownership are delivered, it will be important that the homes are truly affordable. The SHMA gives an indication of the threshold that property prices should be capped at to be deemed affordable.

- 4.7 The focus of market housing should be on two and three bedroomed homes to meet the demand for family homes from newly forming households. In comparison, affordable housing for rent should be focussed on achieving a more even split of one, two and three bedroomed homes. Taking existing stock into consideration, the Council and its Registered Provider partners therefore need to build more one and two bedroomed homes (see housing requirements table below):

	1-bed	2-bed	3-bed	4+-bed
Market	0-5%	20-25%	50-55%	20-25%
Affordable home ownership	10-15%	40-45%	35-40%	5-10%
Affordable housing (rented)	25-30%	35-40%	25-30%	5-10%

- 4.8 There is a growing ageing population, with anticipated increases in the incidence of Dementia, mobility problems and hearing loss amongst this group. Existing housing stock does not meet the needs of this population, with a shortfall identified in specialist housing, nursing care and homes built with the features to allow someone to live independently for longer.

5.0 Financial Implications

- 5.1 There are no direct financial implications associated with the approval of this report.

6.0 Corporate Implications

Employment Implications

- 6.1 There are no direct employment implications associated with the approval of this report.

Legal Implications

- 6.2 The adoption of the revised SHMA will enable the Council to use up to date, robust data with which to negotiate future development sites and defend legal challenges relating to affordable housing where viability is being challenged.

Corporate Plan Implications

- 6.3 The proposals contained within this report will facilitate and deliver a range of integrated housing and community infrastructure.

Risk Impact

- 6.4 The risk of not having robust evidence on which to base decisions relating to planning, affordable housing delivery and specialist housing will be mitigated by the adoption of this report.

7.0 Community Impact

Consultation

- 7.1 The SHMA will be made publicly available on the Council's website.

Equality and Diversity Impact

- 7.2 There are no adverse effects relating to equality and diversity arising from this report. However, the report highlights the need for more specialist accommodation, housing for the aging population and need for adapted homes, therefore endorsement of the recommendations contained in the SHMA will lead to improved access to housing for a more diverse range of households.

Social Value Impact

- 7.3 The social value associated with this study can be measured by the extent of the impact it will have on new sites going forward. The Council will have the benefit of robust evidence to justify why affordable housing should be delivered on site (or not) and whether proposed affordable housing delivery is going to meet demand and reflect the housing need that exists within that area of the District.

Environmental Sustainability

- 7.4 The research findings contained within the SHMA identify what type of housing is required to meet the needs of the District's expanding population and will help to ensure the right type of homes in the right locations are built.

8.0 Conclusions

- 8.1 It is recommended that the Affordable Housing SPD is reviewed to ensure it is aligned with these research findings. This revised SPD will include new requirements for specialist housing provision linked to Policy H20 E of the adopted Local Plan, to increase the provision of accessible and adaptable homes, including homes meeting wheelchair accessible standards, across the District.
- 8.2 The timing of a subsequent update to the SHMA will, amongst other factors such as changes in national policy, also depend on when evidence is required for local plan reviews.

9.0 Background Papers

Appendix 1 – Executive Summary: Strategic Housing Market Assessment, January 2020
Appendix 2 – Strategic Housing Market Assessment, January 2020

Strategic Housing Market Assessment 2019 to 2028

Executive Summary

South Derbyshire District Council

January 2020

Prepared by

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London EC2V 7NQ

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glhearn.com

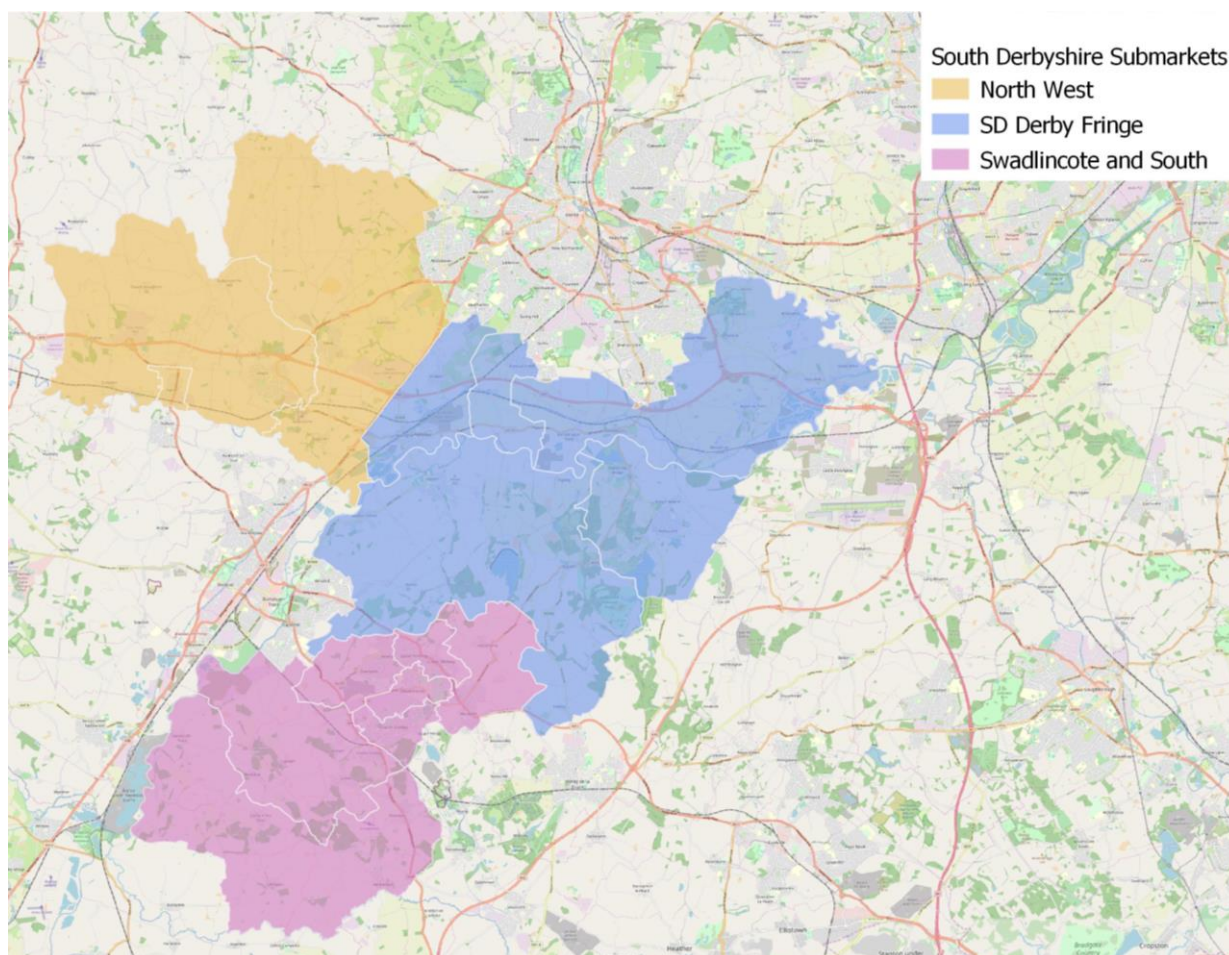
EXECUTIVE SUMMARY

- GL Hearn has been commissioned by South Derbyshire District Council (the Council) to carry out an update to their Strategic Housing Market Assessment in light of the publication of the National Planning Policy Framework (NPPF) in 2019.
- The assessment considers the future housing requirements of the District over the period 2019 to 2028 and includes a forecast of the homes that are required, both market and affordable, as well as considering the needs of specific groups within the population, such as older people, people with disabilities, armed forces personnel, students and self-build.

South Derbyshire's Housing Market

- This report concentrates on the three housing sub-market areas within the District of South Derbyshire, the Derby Fringe, the North West Fringe and the Swadlincote and South Fringe.
- These sub-market areas are defined by household demand and preference for housing including local house prices and house price changes and household migration patterns and commuting patterns.

Figure 1: Housing Sub-Markets Areas of Derby Fringe, North West and Swadlincote and South

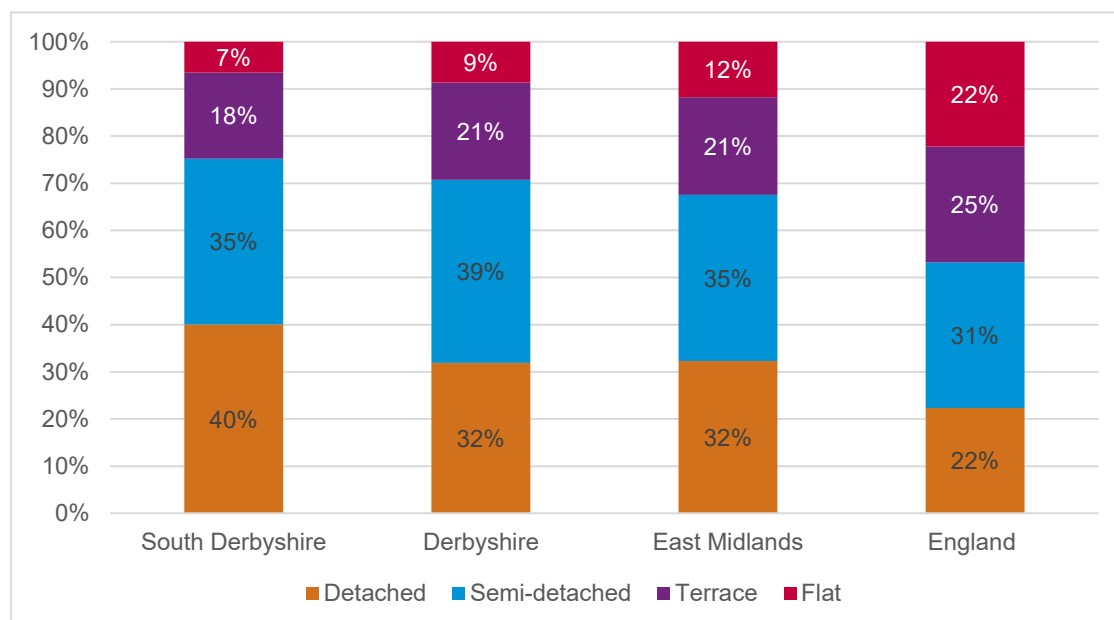


Source: GL Hearn, 2020

- There are approximately 45,500 homes in South Derbyshire, an increase of around 12% since the last census data recorded in 2011.

- Between the Censuses of 2001 and 2011, the District experienced a 22% increase in housing stock. Flatted accommodation saw the greatest growth at 74%, increasing the overall stock profile of flats from 5% to 7%.
- Detached and semi-detached houses were the dominant dwelling type in the District, making up 75% of all homes in 2011. This is significantly different to the rest of England which sees a far more equal split across all dwelling types.

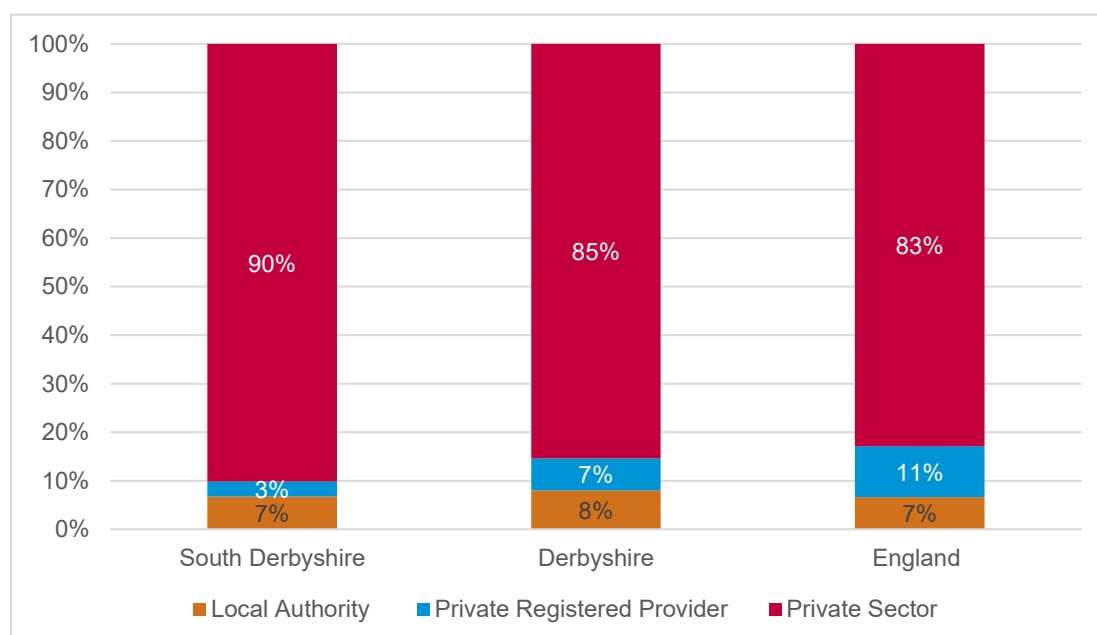
Figure 2: Housing Dwelling Type Profile of South Derbyshire and Wider Geographies



Source: ONS 2011

- South Derbyshire has a relatively high proportion of homes in the private sector (owned and rented) at 90% compared to the rest of the County and England. Conversely there is a significantly below average social housing sector, totalling 10% compared to the rest of Derbyshire at 15%, or England at 18%.

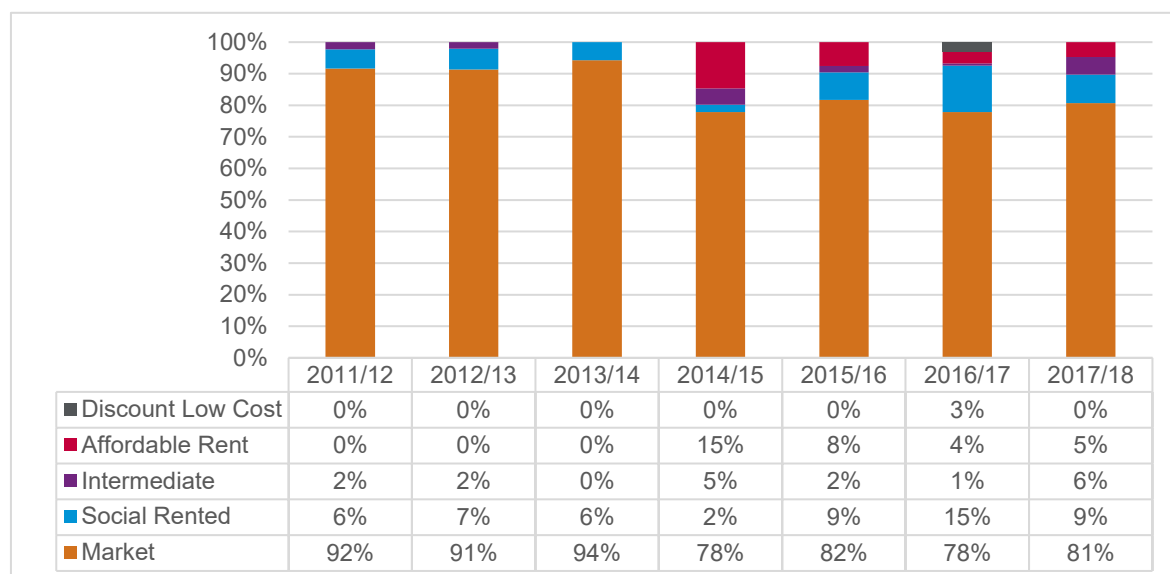
Figure 3: Housing Tenure Profile of South Derbyshire and Wider Geographies (2018)



Source: UK Government Live Table 100, 2018

- Since 2011, there have been 4,985 new homes completed in the District. Unsurprisingly, market housing has been the dominant tenure delivered and accounts for on average 83% of all homes over this period, the remaining 17% has been delivered as various forms of affordable housing.

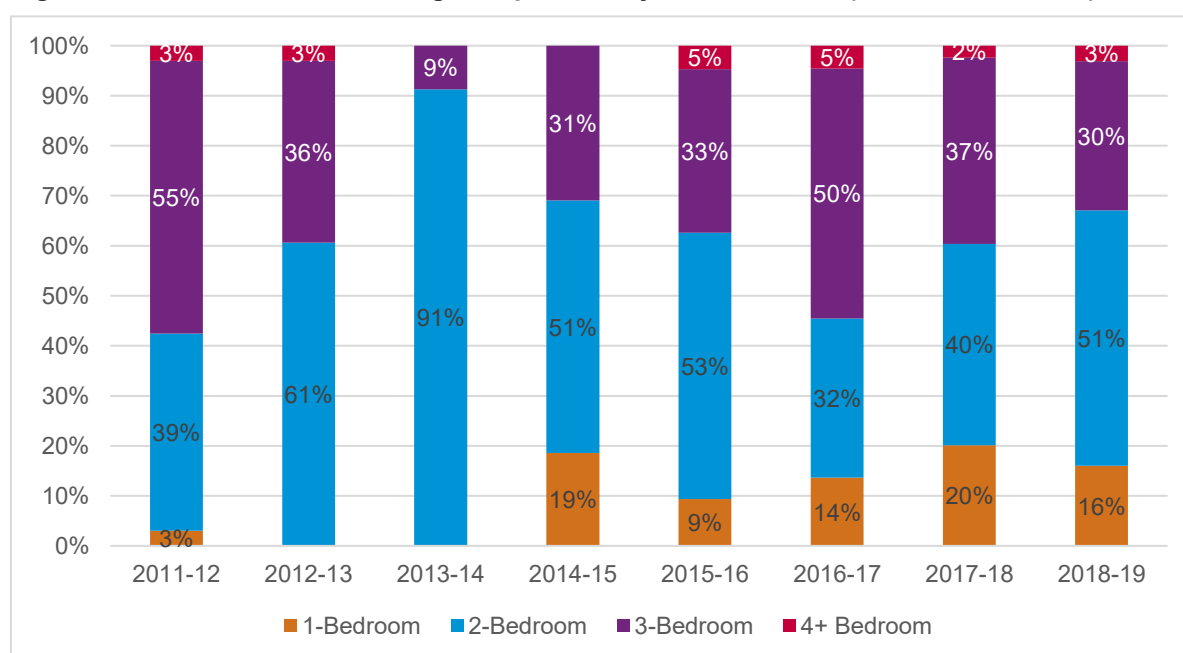
Figure 4: Housing Completions by Tenure (2011/12 to 2017/18)



Source: South Derbyshire Housing Position Paper, 2018

- In total, there have been 883 affordable homes completed between 2011/12 and 2018/19. The last three years have seen a significant increase in the delivery of affordable homes, with 185 provided in 2016/17, 180 provided in 2017/18 and 225 in 2018/19.
- The largest proportion of affordable homes have been delivered in the Derby Fringe sub-market (54%) followed by Swadlincote and South (34%) and the North West (12%).
- The majority of new affordable homes delivered have 2 bedrooms.

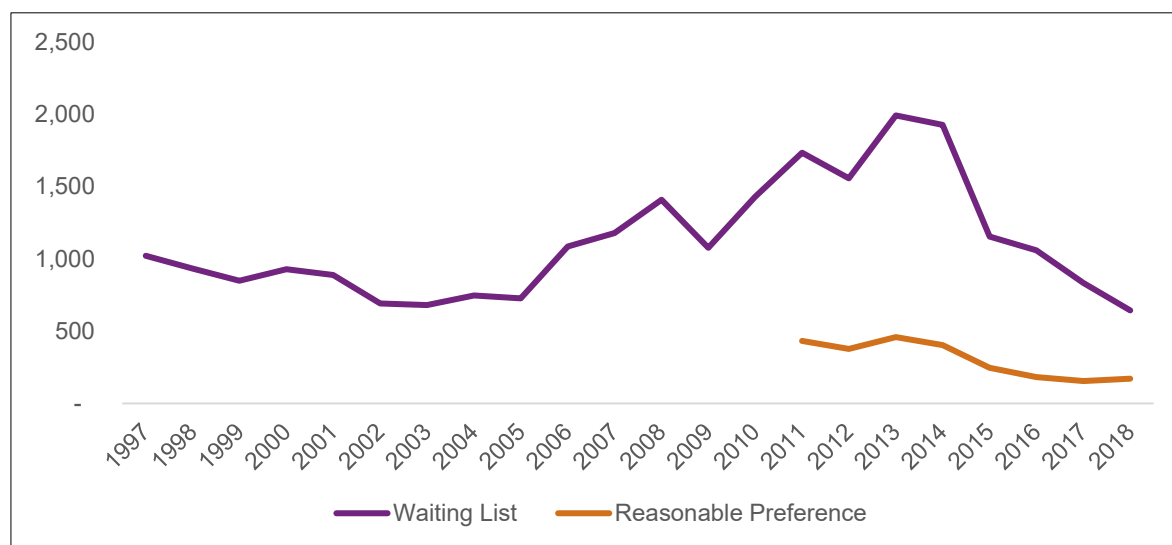
Figure 5: Affordable Housing Completions by Bedroom Size (2011/12 to 2018/19)



Source: SDDC Monitoring Data, 2019

- In 2018, there were 644 households on the Council's housing waiting list. This is a 23% reduction from the year before. Of these, 172 households were in a reasonable preference category (living in a home unsuitable for their needs) while the remainder (472) are living in housing that is suitable for their needs.

Figure 6: Number of Households on the Housing Waiting List in Housing Need

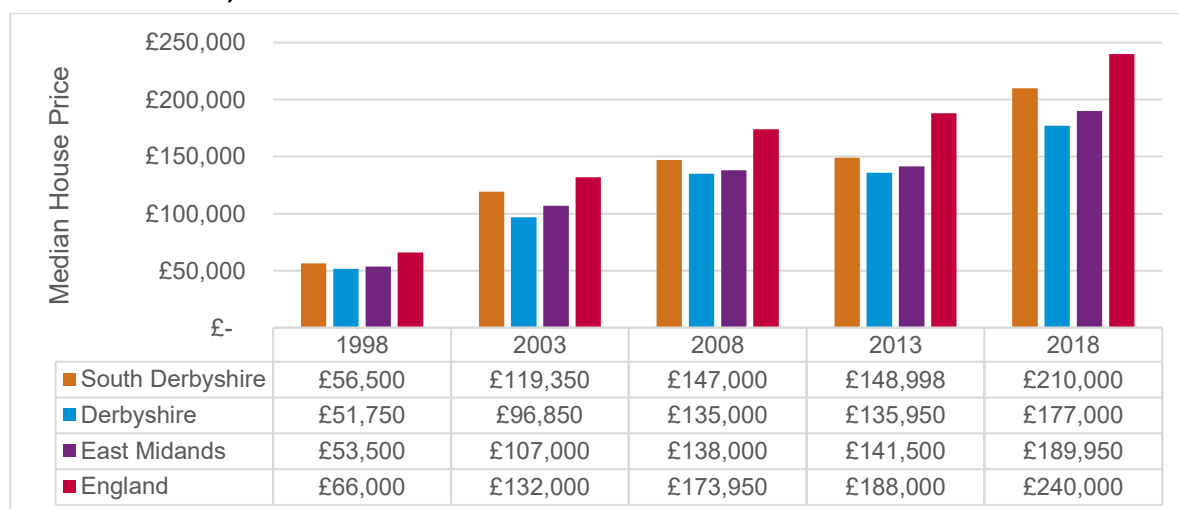


Source: UK Government Live Table 600, 2019

Housing Affordability in South Derbyshire

- In 2002, house prices were four times median earnings, but by 2018 median house prices are almost seven times average earnings: an increase of 64.9%. This increase broadly aligns with the County and the East Midlands but is significantly higher than the national equivalent of 56%.
- Median house prices in the District have grown over the last 12 months by 6.3%, which is significantly above the national growth of 2.1%, above the County growth and regional growth of 5.4% and 5.5% respectively.
- Over a twenty-year period to December 2018, the change in median house prices in the District has been 271.1%, rising from £56,500 in 1998 to £210,000 in 2018, compared to a national growth of 263.6%, rising from £66,000 to £240,000 over the same time frame.

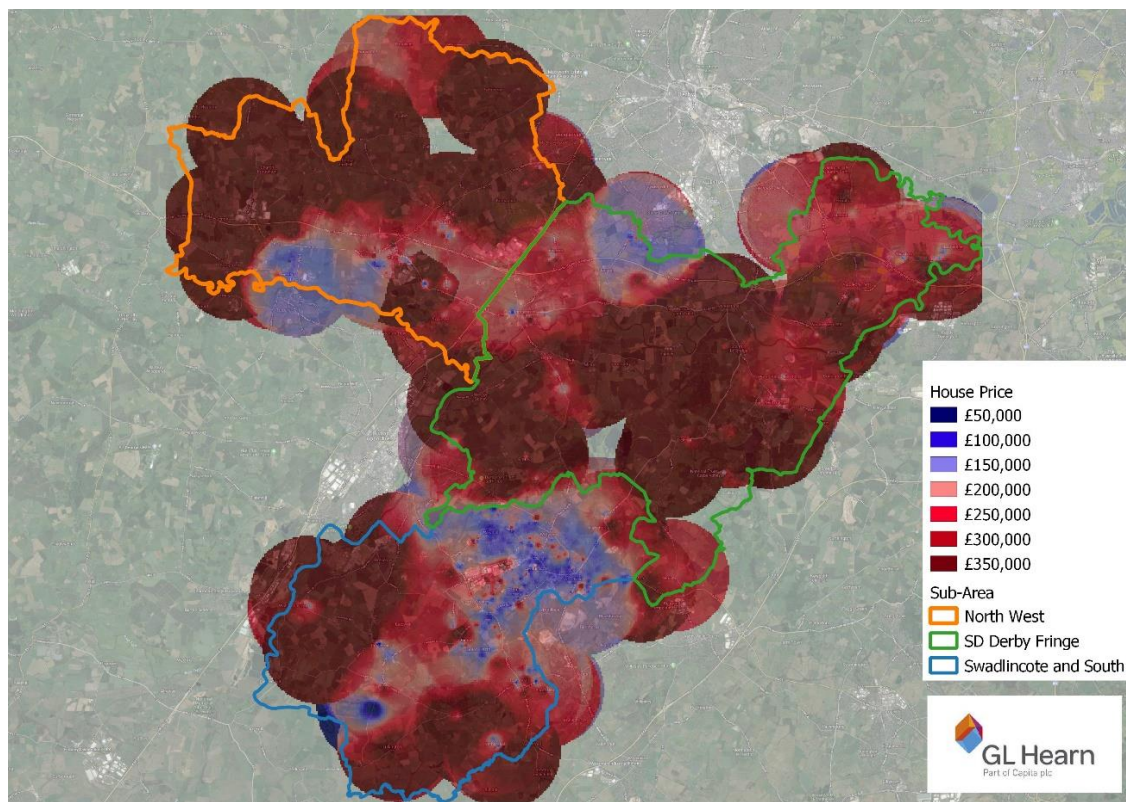
Figure 7: Median House Price in South Derbyshire and Wider Geographies (Dec 1998 to Dec 2018)



Source: ONS Median House Price by Local Authority, 2019

- For the entirety of 2018, house prices by property type in the District broadly aligned with Derbyshire and the East Midlands, however due to the proportion of detached properties within the District, the overall median average house price in South Derbyshire was significantly higher at £203,000 compared to £182,000 in the East Midlands and £230,000 nationally according to data sourced directly from the Land Registry Data. These figures, in theory, should produce the same number as that set out in Figure 7. However, the ONS data is continually revised to take into account the lag from registering a sale to the information relating to that sale getting to the Land Registry. While it can therefore be seen as more up to date, the ONS data does not allow for sub-area analysis hence the data discrepancy.
- Similarly, the direct data from the Land Registry shows that in 2018, lower quartile house prices in the District (£149,950) were higher than both the rest of the East Midlands at £133,000, and the national equivalent of £145,000. The ONS equivalent has the lower quartile prices at £155,000 for South Derbyshire in the year to December 2018, around £140,000 in the East Midlands and £157,700 nationally.
- The lowest average house prices are found within the Swadlincote and South sub-market area and the areas of Stenson Fields and Hatton. In contrast the rural areas surrounding the North West and Derby Fringe show higher house prices, in part linked to the significant housing growth of these areas and the premium new-build housing can attract.

Figure 8: Median House Prices to Purchase in the Sub-Market Areas



Source: GL Hearn based on HMLR and ONS Data, 2020

- In 2018, the median rental value in South Derbyshire was £595 per month, an increase of 12% since 2011. This growth is significantly greater than the County as a whole at 7% but below the East Midlands of 16% and the national average of 20%.
- Across the District, the Swadlincote and South sub-market area have the lowest average rental value at £470 per month, compared to £565 per month in the North West and £640 on the Derby Fringe.

- In all cases, as the table overleaf demonstrates, lower quartile market rents are in excess of local housing allowance (LHA), the maximum benefit amount an eligible household can claim towards their housing costs. This means that privately renting is mainly unaffordable for those households on a low income and eligible for LHA.

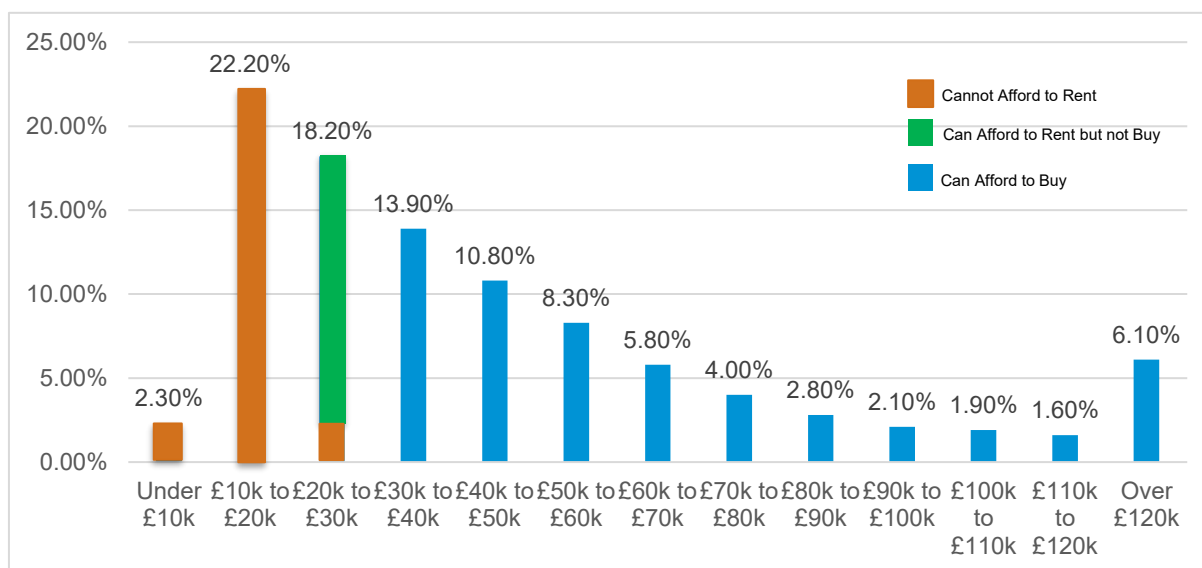
Table 1: Lower Quartile Market Rents by Sub-Market Area Compared to Local Housing Allowance (LHA) Rates (per calendar month)

Size	Derby Fringe	Average LHA	Swadlincote and South	Average LHA	North West	Average LHA
1-Bed	£460	£367	£400	£364	£440	£367
2-Bed	£550	£449	£470	£449	£520	£449
3-Bed	£665	£510	£555	£536	£625	£510
4-Bed	£960	£673	£775	£704	£895	£673

Source: Valuation Office Agency and Market Research, 2019

- On average, a household income of at least £30,000 is required to purchase a house on the open market, and £22,700 to be able to rent privately. However, in both instances there is some variance across sub-market areas.

Figure 9: Household Income Distribution in South Derbyshire



Source: GL Hearn Modelling, 2019

- The Derby Fringe sub-market area requires a larger household income to enable access to the private rented sector (£25,700) or to purchase on the open market (£40,000). In contrast, accessing the market in the Swadlincote and South Fringe requires an average income of £25,400 to purchase and £21,200 to privately rent.

Table 2: Indicative Income Levels Required to Purchase/Rent

	Entry Level Purchase Price	Entry Level Private Rent
Derby Fringe	£40,000	£25,700
Swadlincote and South	£25,400	£21,200
North West	£33,600	£23,800
South Derbyshire	£30,200	£22,700

Source: Core and VOA, Land Registry, 2019

Housing Need in South Derbyshire

- The Standard Method for assessing housing need, introduced after the adoption of the Local Plan, results in a need of 552 homes per annum or 4,698 over the remaining nine years of the Local Plan. The Local Plan supports a need for 565 homes per annum.
- However, the residual Local Plan housing requirement is higher, calculated at 7,633 over the 2019 to 2028 period. This figure includes a commitment to meet an apportionment of unmet need from the City of Derby. This level of housing delivery would result in population growth of 15,660 people or 14.9% over the remaining plan period (2019 to 2028).
- The residual Local Plan housing target will support an additional 5,975 jobs in the District (664 jobs per annum) over the 2019 to 2028 period.

Affordable Housing Need in South Derbyshire

- Affordable housing is defined in Annex 2 of the NPPF (2019) as “housing for sale or rent for those whose needs are not met by the market, including housing that provides a subsidised route to home ownership and/or is essential for local workers”.
- It includes affordable housing for rent, i.e. affordable or social rent and affordable home ownership, i.e. starter homes, discounted market sales, shared ownership, relevant equity loans, rent to buy and other low-cost homes for sale.
- Based on the residual Local Plan housing requirement (7,633 dwellings), there is a need for 325 social and affordable rented homes per year. At a sub-market level, this can be broken down to 106 homes in the Derby Fringe, 162 homes in Swadlincote and South and 57 homes in the North West.
- It should be noted that the figure is higher than previous assessments in part due to the growth of the District as set out in the Local Plan, which also includes an apportionment of Derby City’s unmet need. This figure should not be used as an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can be viably provided.
- Rents from social and affordable rented accommodation show a stark difference between Council owned properties set at social rents, which on average command a rental income of £78.20 per week compared to Registered Provider social rents at £85.88 per week (including service charge) and Registered Provider affordable rents at £98.40 (including service charge) per week.
- The analysis for affordable home ownership need identifies an overall surplus of 22 homes per year: with a need for 25 in Derby Fringe, 2 in the North West and a surplus of 49 in Swadlincote and South. This would suggest that there is not a local demand for the Government’s 10% target for this type of housing.
- The analysis determines that where delivered, shared ownership is the most appropriate affordable home ownership product to offer.
- Where other forms of affordable home ownership are provided (starter homes or discounted market sale), it is important that these are truly affordable. Upper limits should be regularly reviewed, but in the short term, analysis has shown that they should be capped at the levels set out in the table below.

Table 3: Recommended Levels of Price Based on Income for Affordable Home Ownership

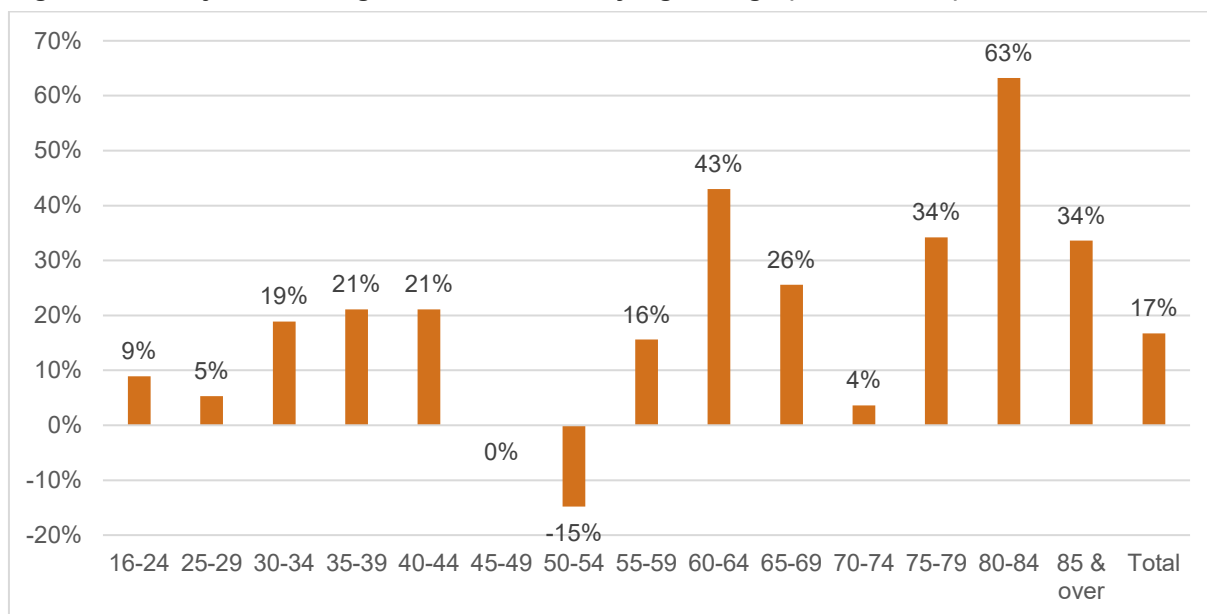
		1-bedroom	2-bedroom	3-bedroom	4+bedroom
South Derbyshire	Lower limit	-	-	£130,000	£184,000
	Upper limit	£72,000	£102,000	£136,000	£234,000

Source: VOA and Land Registry Data, 2018

Housing Mix

- There are a range of factors which influence the demand for different sizes of homes in the private sector, including demographic changes, future growth in earnings and a household's ability to save, economic performance, housing affordability and household aspirations and preference.
- Under the residual Local Plan housing need total, households are forecast to increase by approximately 16.7% over the plan period. The greatest absolute growth is forecast in the 60-64 age group and the over 75 age group. In percentage terms the largest growth is in those aged 80-84.

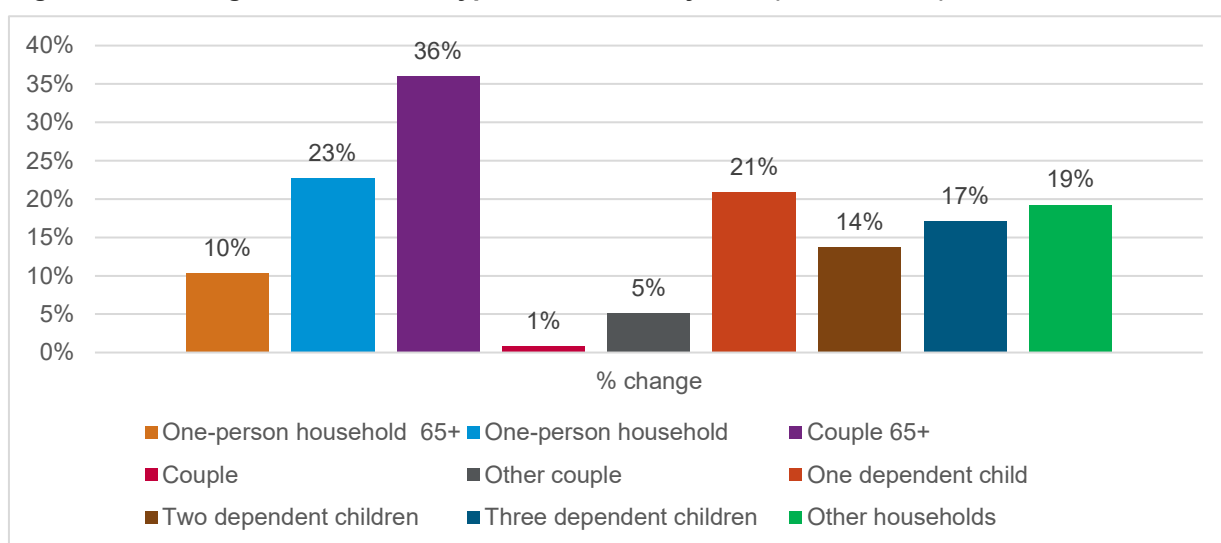
Figure 10: Projected Changes in Households by Age Range (2019 to 2028)



Source: Demographic Projections, 2019

- Household growth is anticipated in most household types, however significant growth is anticipated in couples over 65 (+36%), single person households under 65 (+23%) and households with one dependent child (21%).

Figure 11: Change in Household Type in South Derbyshire (2019 to 2028)



Source: Demographic Projections, 2019

- Reflecting this and a number of other factors, it is expected that the focus of new market housing should be on 3-bedroom homes due to the demand for family homes from newly forming households. There may also be some demand for appropriate medium sized homes (2-bedroom) from older households wishing to downsize, but still wishing to retain the flexibility i.e. to allow friends and family to stay.
- In comparison, affordable housing for rent should be focused on achieving a more even split of 1-, 2- and 3-bedroom homes.

Specialist Housing Need in South Derbyshire

Older People

- It is estimated that 18% of the District's population is 65 years or older, which aligns with the rest of the country and is only slightly lower than the East Midlands total.
- The population of older people living in the District is set to increase between 2019 to 2028 by 28%; with the 75 to 84 age range seeing the highest level of growth, followed by those aged 85 and over.
- It is estimated that 32% of households in the District contain a household member with a long-term health problem or disability (LTHPD). This is marginally lower than figure recorded in the East Midlands and England.
- In particular, the number of people living with Dementia is set to rise by 37% or 445 people and those living with mobility problems are projected to see a notable increase of 32% or 1046 people.
- The population aged 65 and over with a learning disability is projected to increase by 24% and autism are projected to increase by 25%.
- There are currently 948 homes which are designated for older people in the District, such as sheltered housing or retirement living, the majority of which is in the social sector. Analysis forecasts a deficit of 674 homes to 2028; the majority of this shortfall is for market sale (852), while there is a surplus of rented homes (178).
- In contrast, there are currently 213 homes specified as housing with care, i.e. extra-care housing in the District, the majority of which is in the private sector (149) and the remainder is social housing. There is expected to be a shortfall of 46 homes by 2028, of which there is a need for an additional 65 rented homes while there is a surplus of 19 market homes.
- There are currently 351 nursing care beds and 501 residential care beds within the District, the analysis shows a significant shortfall in nursing care bedspaces of 277, but a surplus of 77 residential care beds by 2028.
- Information on the need for housing for wheelchair users is difficult to obtain at a local level, however regional figures suggest that 84% of homes in England do not provide the basic features to allow someone in a wheelchair to get through the front door, furthermore less than 0.05% of homes meet the criteria for 'accessible and adaptable'.
- There is a current shortfall of around 133 wheelchair accessible homes. Over the plan period, this shortfall is expected to increase by an additional 25 wheelchair adapted homes each year, taking the total to 383 by 2028.

Younger People with a Physical Disability or Long-term Condition (16-64)

- Young people living with a physical disability is expected to increase by 5% or 175 people by 2028. In addition, those living with hearing loss is also set to increase by 6% or 405 people.
- The population with a learning disability is expected to increase by 47 people taking the total to an estimated 1,550 by 2028.

- There is accommodation with support provision that operates in South Derbyshire to assist people with mental ill health and learning disabilities sustain their accommodation. The level of current provision meets the current level of need; however, the Council should to plan for future supported housing provision to address the identified growth of these groups.

Private Rented Sector

- As of 2011 approximately 4,600 households lived in the private rented sector in South Derbyshire, which equated to 11.8% of all households. This is slightly lower than the East Midlands and significantly lower than the national rate of 24%.
- There has been a 153% growth in the number of households living in privately rented accommodation between 2001 and 2011. Data is not available in relation to the local growth in the sector since 2011.
- In April 2018, there were 3,528 housing benefit claimants in South Derbyshire, of which 32% or 1,132 households live in the private rented sector. The majority of these claimants are aged either 25 to 44 or over 70.
- In the 2011 Census data, there were 1,013 households classified as 'Other', an increase of 58% since 2001. This can potentially be taken as a proxy for Houses of Multiple Occupancy (HMOs), especially as the majority of this group live within the private rented sector.

Young People (Under 35)

- The proportion of young people (under 35) renting privately in South Derbyshire is 30%, this is less than the East Midlands at 37% and England at 41%.
- The proportion of young people renting social housing in South Derbyshire is 12%, which is significantly lower than the East Midlands total of 20%.
- Conversely, young person households that own with a mortgage is higher in South Derbyshire a 49% than the East Midlands at 35%. This suggests that the ability for young people to get on the housing ladder is easier in South Derbyshire than the wider region.
- There are currently 333 households headed by a young person on the Council's housing register out of 751 households. Of these, the majority require 1 or 2-bedroom home.

Student Households

- The 2011 Census reported that there were only 9 all student households in South Derbyshire, equating to 0.02% of all households in the District.
- There is one further education facility in the District, the Stephen Burke Construction Academy in Swadlincote, which is part of Burton College.
- The University of Derby is located at Kedleston Road in Derby City. This location lies on the border of South Derbyshire and could contribute to future housing demand for student accommodation in the form of private rented housing.

Service Families

- According to the Ministry of Defence statistics, there are 10,430 military and civilians living within the East Midlands region, however there are none recorded as living in South Derbyshire.
- South Derbyshire District Council signed the Armed Forces Covenant in March 2019 and appointed an Armed Forces champion to ensure those that serve or who have served, and their families are treated fairly.

Self & Custom Build

- There were 47 individuals on the self and custom build register in June 2019

Between 31 October 2016 and 30 October 2017 planning consent was granted for 21 self or custom-build homes.

Recommendations

- This report gives recommendations for consideration to amend associated policy documents in response to the updated housing needs assessment.

Affordable Housing Need

- Chapter 5 of the South Derbyshire Local Plan (2016) establishes the strategic policies for housing. The policies that address the strategic direction for affordable housing are Policy H20 Housing Balance and Policy H21 Affordable Housing and the Affordable Housing Supplementary Planning Document (SPD).
- The extent of affordable housing need evidenced within this report would suggest the Council should seek to continue to request affordable housing contributions of 30% on sites of over 15 dwellings where viability allows.
- Furthermore, at Local Plan review, the Council should consider assessing (through viability testing) an increase in the level of affordable housing contributions to above 30% and reducing the at the same time reducing the threshold above which developments become eligible to contribute to affordable housing to 10 homes or more.
- It is recommended that the Council's Affordable Housing SPD be updated to reflect the widened affordable housing definition set out in the NPPF. This could incorporate 10% of housing on major developments being affordable home ownership. However, such is the low level of calculated need for this product, the Council could further explore the potential of delivering less than the government target of 10% of new housing for this tenure within the parameters of the NPPF.
- If the Council does seek to provide 10% of all housing as affordable home ownership, then it is suggested that shared ownership is the most appropriate option.
- For low-cost home ownership products (starter homes and discount market sale), it is recommended that the Council considers setting prices at a level which, in income terms, are equivalent to the levels needed to access private rented housing and are truly affordable. These thresholds are set out below:

Table 4: Range of Prices by Size of Property for Affordable Home Ownership Tenures

		1-bedroom	2-bedroom	3-bedroom	4+bedroom
South Derbyshire	Lower limit	-	-	£130,000	£184,000
	Upper limit	£72,000	£102,000	£136,000	£234,000

Source: GL Hearn based on VOA Data, 2020

- High level indications support the need that affordable housing for rent should be weighted more towards the delivery of social rent and a split of 67% social rental housing and 33% affordable rented is recommended.
- Should the Council choose to impose restrictions on access to social housing within their Allocations Policy based on household income thresholds, the income threshold should be set at no less than £40,000 in line with affordability within the Derby Fringe. However, strong consideration should be given to increasing this threshold above this figure to ensure that households do not fall in between the gaps and that larger households are not treated unfairly.

Table 5: Earnings Requirement for Different Tenures

	Entry Level Purchase Price	Entry Level Private Rent
Derby Fringe	£40,000	£25,700
Swadlincote and South	£25,400	£21,200
North West	£33,600	£23,800
South Derbyshire	£30,200	£22,700

Source: GL Hearn based on VOA and HMLR data, 2020

Housing Mix

- Chapter 5 of the South Derbyshire Local Plan (2016) establishes strategic policies for housing. The policy that addresses housing mix and specialist need is Policy H20, Housing Balance.
- GL Hearn recommends that the type of tenure and size mix set out in the table below is used for the purposes of applying Policy H20.

Table 6: Size Mix Recommendations by Tenure

	1-bed	2-bed	3-bed	4+-bed
Market	0-5%	20-25%	50-55%	20-25%
Affordable home ownership	10-15%	40-45%	35-40%	5-10%
Affordable housing (rented)	25-30%	35-40%	25-30%	5-10%

Source: GL Hearn, 2020

- Consideration should be given to the nature of the development site, character of the area and up-to-date evidence of need, as well as the existing mix and turnover of affordable properties at the sub-market or sometimes ward or parish level when implementing the recommended mix.

Specialist Housing Need

- The evidence gathered within this report would justify the Council seeking to develop a policy specifically to support the need for specialist accommodation, accessible homes and wheelchair accessible homes.
- It is recommended that this policy should seek to deliver as many M4(2) (accessible and adaptable) compliant homes as viably possible and for 5-10% of all new homes to be M4(3) (wheelchair user) compliant through the implementation of Policy H20. However, the policy should be flexible to recognise that some developments, because of their built form and/or topography may not be suitable for this type of development.
- The policy should also support the need for other specialist accommodation for older persons, in particular the need for nursing care, housing with care to rent and housing with support in the private sector to meet evidenced need.
- The Council should seek to include the provision of specialist accommodation within their housing land supply. Age restricted housing, retirement living, sheltered housing, extra-care housing or housing with care is usually awarded the use class designation of C3 and therefore each home completed counts as a completion on a 1-for-1 basis; whereas residential care and nursing care fall under use class C2, and should be calculated on a ratio of 1 for every 1.85 bed space completed.
- There is no specific evidence to support a separate policy being developed for students, build to rent or service families.
- The need for custom and self-build is relatively low, however the Council could seek a small percentage of such plots on the very largest allocations of over 500 homes.

Strategic Housing Market Assessment

South Derbyshire District Council

January 2020

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Quality Standards Control

The signatories below verify that this document has been prepared in accordance with our quality control requirements. These procedures do not affect the content and views expressed by the originator.

This document must only be treated as a draft unless it has been signed by the Originators and approved by a Business or Associate Director.

DATE

January 2020

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Director**Limitations**

This document has been prepared for the stated objective and should not be used for any other purpose without the prior written authority of GL Hearn; we accept no responsibility or liability for the consequences of this document being used for a purpose other than for which it was commissioned.

1 INTRODUCTION

- 1.1 GL Hearn has been commissioned by South Derbyshire District Council to carry out an update to their Strategic Housing Market Assessment in light of the publication of the National Planning Policy Framework (NPPF) (2018 and subsequently 2019).
- 1.2 South Derbyshire District Council adopted Part 1 of the Local Plan in June 2016 and Part 2 in November 2017. The adopted Local Plan Part 1 covers the period 2011 to 2028 and is the strategic part of the Local Plan establishing the long-term vision, objectives and strategies for the spatial development of South Derbyshire. The Local Plan Part 2 proposes non-strategic housing allocations and details the development management policies.

Report Structure

- 1.3 Following this introductory section, the remainder of the report is structured as follows:
- Section 2: Policy context
 - Section 3: Market signals
 - Section 4: Future housing market
 - Section 5: Affordable housing need
 - Section 6: Housing mix
 - Section 7: Older persons needs
 - Section 8: Persons with a physical disability or long-term condition
 - Section 9: Private rented sector
 - Section 10: Young person households
 - Section 11: Student housing
 - Section 12: Service families
 - Section 13: Self and custom build
 - Section 14: Conclusions
 - Section 15: Recommendations

2 POLICY CONTEXT

National Policy Context

National Planning Policy Framework (2019) and Planning Practice Guidance

- 2.1 The methodology used in this report responds to the NPPF (2018 and update 2019), which sets out the Government's objective to significantly boost housing supply and the current Planning Practice Guidance (PPG) on *Housing and Economic Needs Assessments*.
- 2.2 Chapter 5 of the NPPF (2019) relates to delivering a sufficient supply of homes, with Paragraph 60 setting out that "to determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard methodology" which is this report. However, in exceptional circumstances, an alternative approach could be justified.
- 2.3 Paragraph 61 of the NPPF (2019) sets out that "within this context, the size, type and tenure of housing needed for different groups in the community should be assessed". It adds that specific groups include but are not limited to:
- "those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes".
- 2.4 It is clear from the NPPF (2019) and the PPG that the Objectively Assessed Need (OAN) derived from the standard methodology is to act as a minimum and there is ample scope, and indeed it is encouraged, for local authorities to provide housing in excess of this figure.
- 2.5 Paragraph 10 of the PPG¹ sets out the circumstances when a higher figure than the standard method needs to be considered, these include, but are not limited to:
- "growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. housing deals);
- strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
- an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.

¹ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

- 2.6 There may, occasionally, also be situations where previous levels of housing delivery in an area, or previous assessments of need (such as a recently produced Strategic Housing Market Assessment (SHMA)) are significantly greater than the outcome from the standard method. Authorities will need to take this into account when considering whether it is appropriate to plan for a higher level of need than the standard model suggests.”
- 2.7 Therefore, South Derbyshire District Council could align housing need with the identified growth in an aspiration document seeking a higher level of growth above the standard methodology.
- 2.8 **It should be emphasised that this report does not set housing targets. It provides an assessment of housing need based on Government guidance at the time of writing, which is intended to provide input to plan-making, alongside wider evidence including land availability, environmental and other development constraints and infrastructure. The final housing target will be set out in the Local Plan.**

[Housing White Paper](#)

- 2.9 Fixing Our Broken Housing Market was published by the UK Government in February 2017. The document includes a number of proposals which set out the Government’s intention to boost housing supply and, over the long term, create a more efficient housing market whose outcomes more closely match the needs and aspirations of all households and which supports wider economic prosperity.
- 2.10 The document includes a four-step process which includes Step 1, Planning for the right homes in the right places, Step 2, Building homes faster, Step 3, Diversifying the market and Step 4, Housing people now. There are a number of proposals to achieve the strategic direction of each step.
- 2.11 Step 1, planning for the right homes in the right places focuses on the ability of local authorities in ensuring new housing is delivered near employment and updating local plans. The document notes that under Step 2, the UK Government will invest in making the local planning system more open and accessible.
- 2.12 Step 3 focuses on diversifying the housing market to open it up to smaller builders. The proposals under this step explore opportunities for the UK Government to support housing associations to build more and encourage local authorities to build again, encourage institutional investment in the private rented sector and support people who want to build their own home. Step 4 explores opportunities to help people to afford their own home, by overcoming some of the impacts of the housing shortage.

Localism – Housing Reforms

- 2.13 The Localism Act, 2011, introduced a number of reforms affecting the management of social housing. These are summarised below.

Allocations Policies

- 2.14 The Localism Act gave council's greater flexibilities in deciding who qualifies to go onto their housing waiting lists to reflect their local priorities, and how they treat tenants who want rather than need to move. The Act gave local authorities the ability to revise their allocations policies, should they wish to do so, to prevent people with no 'need' for affordable housing from joining the housing register.

Welfare Reforms

- 2.15 On 8 March 2012, the Welfare Reform Act received Royal Assent. The Act was made in order to make provisions for Universal Credit and changing Disability Living Allowance (DLA) to Personal Independence Payments (PIP), to make other provision about security and tax credits and to make provision about the functions of the registration service, child support maintenance and the use of job centres.

- 2.16 The Act introduces the following:

- Household benefit cap;
- Linking Local Housing Allowance (LHA) rates to Consumer Price Index (CPI) from 2013
- Size criteria for calculating Housing Benefit in the social rented sector (under-occupancy charge), and
- Universal Credit

Household Benefit Cap

- 2.17 The household benefit cap limits the total household welfare payments, excluding Working Tax Credit and DLA/PIP, to £26,000 (£500 per week) for couple and lone parent households and £18,600 (£350 per week) for single-person households. It is structured to increase incentives for households to work.
- 2.18 The Government estimated that 67,000 households would be affected by these changes, with the greatest impact being in London and the South East. To address the benefit cuts, households might seek to increase their income by working more hours or reducing their rent or non-rent expenditure. Larger households or those in high rent areas have been particularly affected with some households seeking to move to cheaper locations.

Local Housing Allowance

- 2.19 The Housing Benefit (Amendment), 2012, introduced a requirement to set a maximum rent in the social rented sector using the LHA size criteria and made changes to the time and circumstances in which a case subject to LHA is reviewed.
- 2.20 LHA rates are used to calculate Housing Benefit for tenants renting from private landlords. Low-income households living in the Private Rented Sector (PRS) can claim LHA to assist in meeting their housing costs and is determined in relation to rents in the Broad Rental Market Area (BRMA) in which a property lies. The 2015 LHA rates identify that these payments cannot be higher than £260.64 for 1-bedroom property £302.33 for 2-bedroom property, £354.46 for a 3-bedroom property, £471.02 for a 4-bedroom property.
- 2.21 The Welfare Reform Act noted that increases in LHA rates will be restricted to the growth in inflation, as measured by the CPI, with rates being set annually rather than monthly. It is expected that this will exert downward pressure on rents, particularly in areas where LHA claimants form a significant proportion of the PRS and may encourage some LHA claimants to move to cheaper areas.
- 2.22 The movement towards UC to provide one streamlined payment will end the option of Housing Benefit payments being paid directly to landlords, unless exceptional circumstances exist; this may make benefit claimants less attractive as tenants and could potentially restrict the supply of PRS accommodation for certain household groups.

Housing Benefit Size Criteria in the Social Rented Sector

- 2.23 The Welfare Reform Act (Amendment), 2012, introduced restrictions on how much Housing Benefit working-age households in the social rented sector could claim based on the size of the household compared to the size of the property, previously Housing Benefit has been based on the size of the property rather than the household. This change has particularly impacted on working-age households who are under-occupying their homes. The policy focuses on reducing the benefits bill, increasing mobility in the social housing sector and making better use of the existing social housing stock.
- 2.24 The applicable maximum Housing Benefit which households can claim is reduced by national proportions based on the number of rooms households have which they don't require (a 14% reduction for one spare bedroom or a 25% reduction for two or more spare bedrooms).
- 2.25 At the time of amending the Act, the Government estimated that the change of policy would impact on 67,000 households nationally – 32% of all working-age households in receipt of Housing Benefit.

The amendment identified that the average cost to affected households would be a reduction in Housing Benefit of £13 per week in 2013/14.

- 2.26 The shared accommodation or single room rate was extended to under 35-year-olds (this formerly applied to under 25-year-olds). This has severely impacted the choice available to this age group and also the ability to move people through supported accommodation to their own tenancies.

Homeless Reduction Act

- 2.27 The Homelessness Reduction Act, 2017, came into force in April 2018. This legislation placed legal duties on Council's to focus on supporting the prevention and relief of homelessness, regardless of the priority need status of the household.

- 2.28 The key measures within the Act are:

- An extension to the period threatened with homelessness from 28 days to 56 days.
- A duty to prevent homelessness for all eligible applicants threatened with homelessness, regardless of priority need status.
- A duty to relieve homelessness for all eligible homeless applicants, regardless of priority need status.
- A duty to refer for public services if they come into contact with someone who they think may be homeless or at risk of becoming homeless.

- 2.29 Under this Act, each local housing authority in England must provide or secure the provision of a service, available free of charge, to any person in the authority's district providing information and advice on:

- Preventing homelessness,
- Securing accommodation when homeless
- The rights of persons who are homeless or threatened with homelessness, and the duties of the authority,
- Any help that is available from the authority or anyone else, whether under this Part or otherwise, for persons in the authority's district who are homeless or may become homeless (whether they are threatened with homelessness), and
- How to access that help.

- 2.30 The service must be designed to meet the needs of persons in the authority's district including the needs of:

- Persons released from prison or youth detention accommodation
- Care leavers,
- Former members of the regular armed forces,
- Victims of domestic abuse,
- Persons leaving hospital,
- Persons suffering from a mental illness or impairment, and

- Any other group that the authority identifies as being a particular risk of homelessness in the authority's district.

Local Policy Context

Planning Policies in South Derbyshire

- 2.31 The South Derbyshire Local Plan - Part 1 was adopted in July 2016 and sets the long-term vision, objectives and strategy for the spatial development of South Derbyshire over the 2011 to 2028 period. The Plan establishes the amount of housing and employment development required within the District over the plan period, allocates strategic housing and employment sites and contains policies to determine planning applications.
- 2.32 Under **Policy H20 Housing Balance**, the Council will seek to provide a balance of housing that indicates a mix of dwelling type, tenure, size and density. The policy notes that the overall mix of housing will take account of the Strategic Market Assessment (SHMA) and Local Housing Needs Study. Under this policy:
- The density of any site will be considered individually as there is no evidence to support a set density across all sites
 - Any housing development would be expected to make the most efficient use of the land whilst taking into account what is appropriate for the surrounding local built and natural environment
 - The viability of development will be considered through determining a schemes housing mix.
 - The Council will also promote a mix of housing that is suitable and adaptable for different groups of people such as single occupiers, people with disabilities, people wanting to build their own homes and the ageing population of the District.
- 2.33 **Policy H21 Affordable Housing** outlines that the Council will seek to secure up to 30% of new housing development as affordable housing as defined in the NPPF on sites of over 15 dwellings. This policy details that consideration will be given to the local housing market, the viability of any proposed scheme - which will be assessed through independent viability assessments, the tenure mix and dwelling type on the site will be based on the SHMA and the phases of development that are being proposed.
- 2.34 **Policy H22 Sites for Gypsies and Travellers and for Travelling Show People** outlines that the Council will set the target for new pitches and/or plots according to the most recent needs assessment agreed by the Council. Allocations to meet the identified need will be made through a Site Allocations DPD.

Affordable Housing Supplementary Planning Document

- 2.35 The South Derbyshire Affordable Housing Supplementary Planning Document (SPD) was formally adopted by South Derbyshire District Council in November 2017. The SPD provides further detail on,

the different types of affordable housing, housing need, affordability, tenure mix, the expected quality of affordable housing, the mechanisms and expectations for delivery and the Council's preferred affordable housing providers.

2.36 The SPD details four key mechanisms for delivering affordable housing. These include:

- Negotiation of up to 30% affordable housing, as defined by the NPPF, on market sites for developments of over 15 dwellings.
- Registered Provider or Council-led schemes that come forward and achieve higher levels of affordable housing on sites that would not otherwise be viable, such as on brownfield sites.
- Provision of affordable housing on rural exception sites to meet a local identified housing need.
- Acquisition by the Council of new build homes, built either as part of S106 agreements or purchased on the open market.

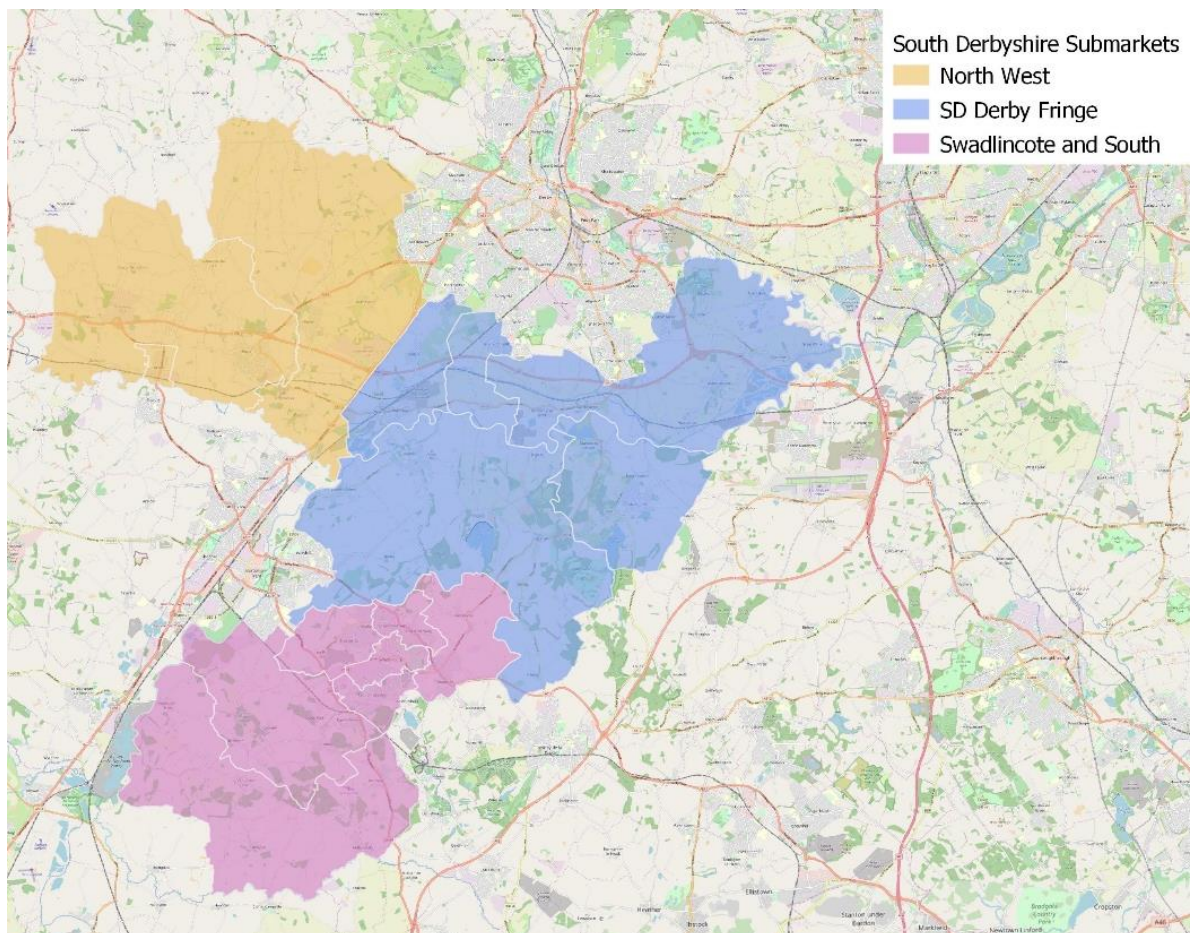
2.36 The Council will be reviewing their Affordable Housing SPD in due course to take account of the updated evidence and subsequent recommendations contained within this SHMA.

3 MARKET SIGNALS

Introduction

- 3.1 This section of the report assesses the key market signals in South Derbyshire. Where possible, we have benchmarked the Local Authority figures against the regional (East Midlands) and national equivalents. The analysis considers local house prices, rental value, affordability ratios and housing completions.
- 3.2 The previous SHMA, undertaken in 2013, identified three housing sub-markets: Derby Fringe, Swadlincote and South and North West. As part of this study, we have maintained these sub-areas and where possible undertaken an analysis for them.

Figure 1: Sub-areas of South Derbyshire



Source: GL Hearn based on OS data

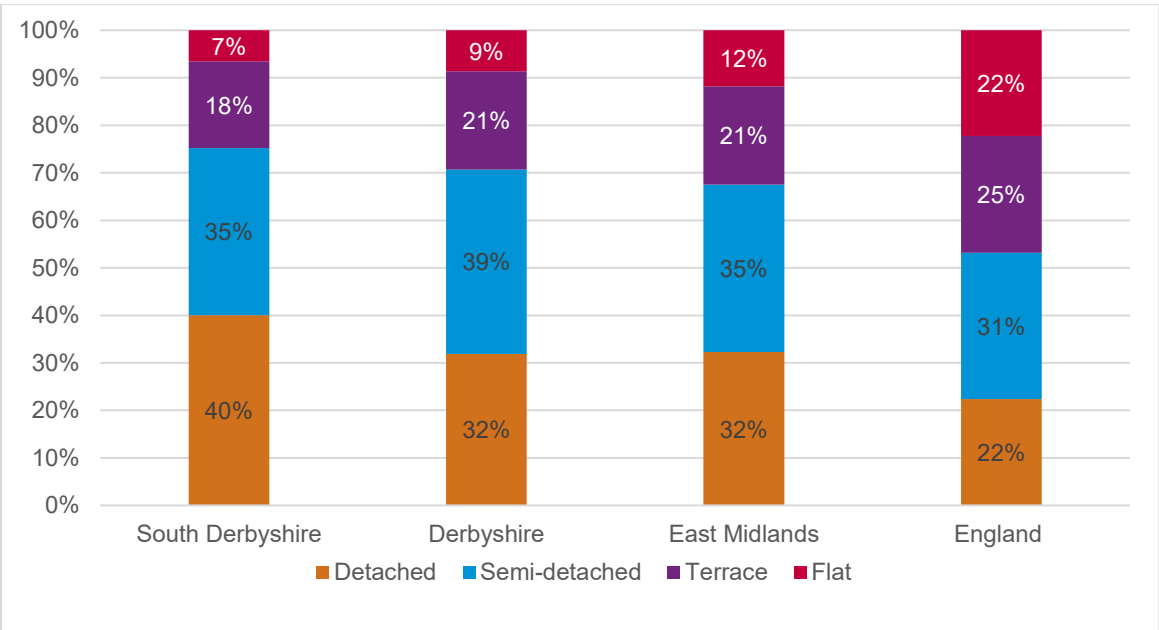
- 3.3 The sub-market areas were defined based on local moves within the housing market, commuting patterns and house prices and house price changes. These are intended to identify areas where the

majority of households move within and can be used to develop sub-area policies within future plan making.

Housing Profile

- 3.4
- In 2019, there were around 45,500 dwellings in South Derbyshire. This is a 12% increase since 2011, the time of the last census. Detached houses were the dominant dwelling type in the District, making up 40% of all dwellings. This is followed by semi-detached dwellings (35%), terrace dwellings (18%) and flats (7%).
- 3.5
- The South Derbyshire housing typology split is broadly aligned with the housing profile of the County and the East Midlands region. However, houses notably account for a greater proportion of total stock in South Derbyshire and there is a slightly lower proportion of smaller dwellings (flats and terrace dwellings).

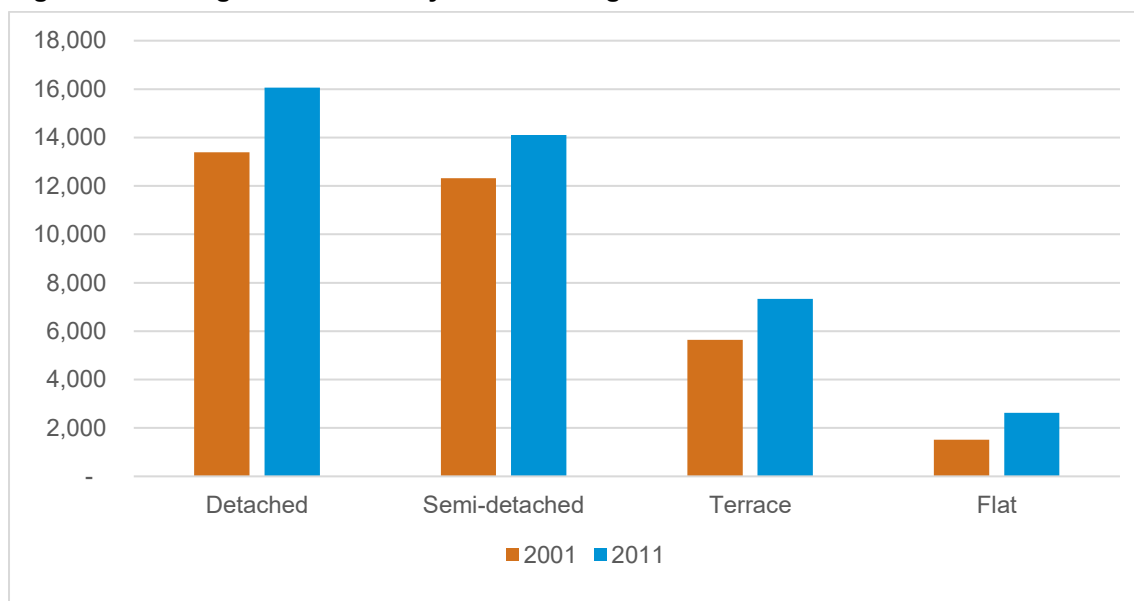
Figure 2: Housing Profile of South Derbyshire and Wider Geographies



Source: ONS 2011

- 3.6
- Between the Census periods of 2001 and 2011, South Derbyshire experienced a 22% increase in the housing stock and a further 12% increase since then. As expected, houses remain the dominant house type and increased by 20% over the ten years. In comparison, houses in Derbyshire County increased by 11%, 12% in the East Midlands and 10% nationally.
- 3.7
- Flats experienced the greatest growth over the period, increasing by 74%. However, it is important to recognise that this started at a low base position, with flats accounting for 5% of total dwellings in South Derbyshire in 2001 and 7% in 2011.

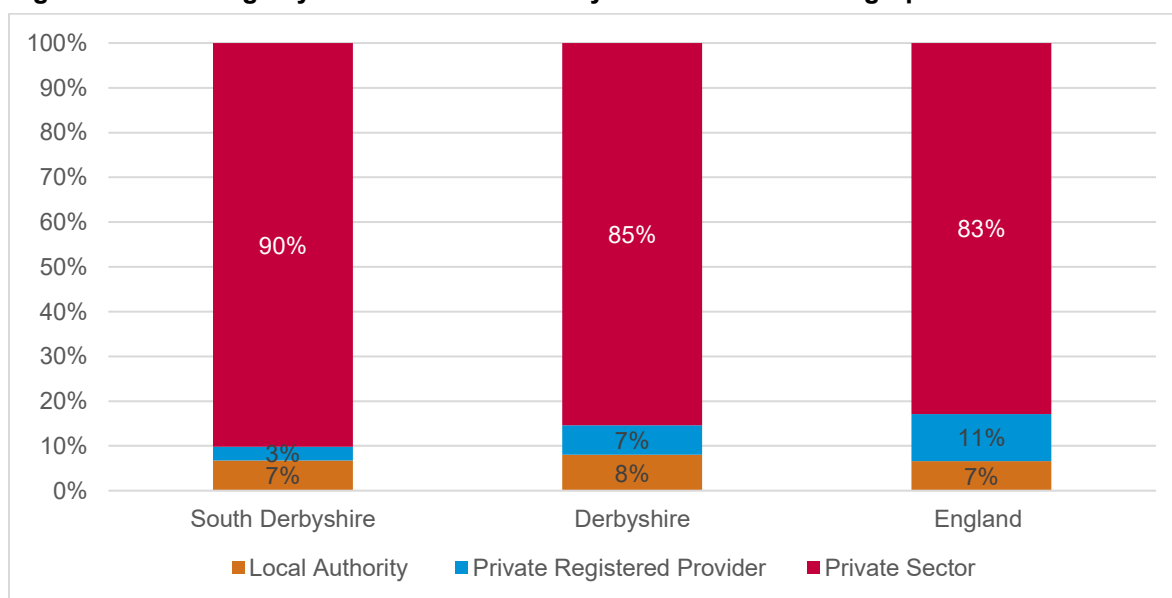
Figure 3: Change in South Derbyshire Housing Profile



Source: ONS 2001 and 2011

- 3.8 Recent data on the dwelling stock by tenure shows that South Derbyshire has a higher proportion of dwellings in the private sector at 90%, compared to Derbyshire (85%) and England (83%). This is followed by dwellings in the social rented sector (owned by the Council or Registered Providers) which account for 10% of all dwellings in South Derbyshire, 15% in the county as a whole and 18% in England.

Figure 4: Dwellings by Tenure in South Derbyshire and Wider Geographies



Source: UK Government, Live Table 100, 2018

- 3.9 Data in relation to the PRS is unobtainable as much of this comes to the market as stock bought by private investors and then rented privately. We are not aware of any specific build to rent developments in South Derbyshire.

House Prices

- 3.10 The table below reports house prices in South Derbyshire against the wider comparators at different price points for all house types. The median house price in South Derbyshire in December 2018 was £203,000, which is higher than the Derbyshire County median price at £175,000. The South Derbyshire median was also above the regional median price (£182,500) but lower than the national equivalent (£230,000).
- 3.11 Notably, the lower quartile house price for all house types is greater in South Derbyshire (£149,950) than Derbyshire (£125,000), the East Midlands (£133,000) and England (£145,000).

Table 1: House Prices, 2018

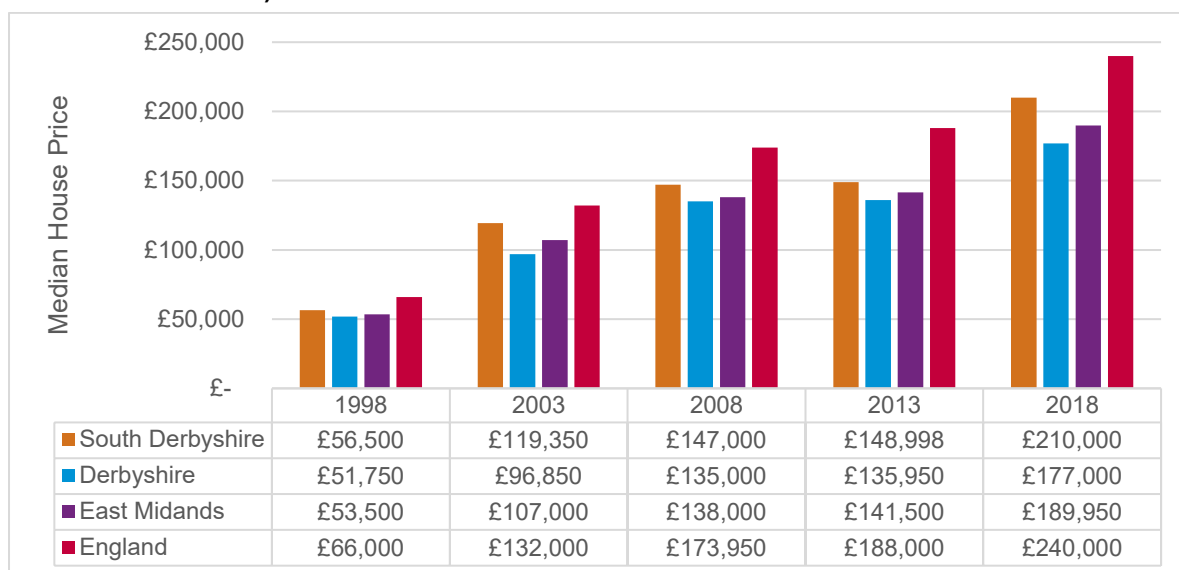
Geography	Median	Mean	Lower Quartile
South Derbyshire	£203,150	£245,687	£149,950
Derbyshire	£175,000	£219,533	£125,000
East Midlands	£182,500	£247,319	£133,000
England	£230,000	£347,892	£145,000

Source: Land Registry, 2018

- 3.12 To examine house prices over a longer period of time we have used Office for National Statistics (ONS) data. These figures should, in theory, produce the same output as that set out in Table 1, however, the ONS data is continually revised to take into account the lag from registering a sale to the information relating to that sale being given to and published by the Land Registry. While it can, therefore, be seen as more up to date, the ONS data does not allow for sub-area analysis hence the data discrepancy.
- 3.13 The figure below reports median house prices in South Derbyshire, Derbyshire, the East Midlands and England from 1998 to 2018. Median house prices in the District have grown by £12,500 over the last 12 months or by 6.3%. This is significantly above the national growth of 2.1% and above the county and regional growth of 5.4% and 5.5% respectively.
- 3.14 Over the last 5 years, South Derbyshire experienced a change in house price of approximately £60,000, which is the equivalent of 40.9%. This is significantly higher than the county (30.2%) and the region (34.2%).

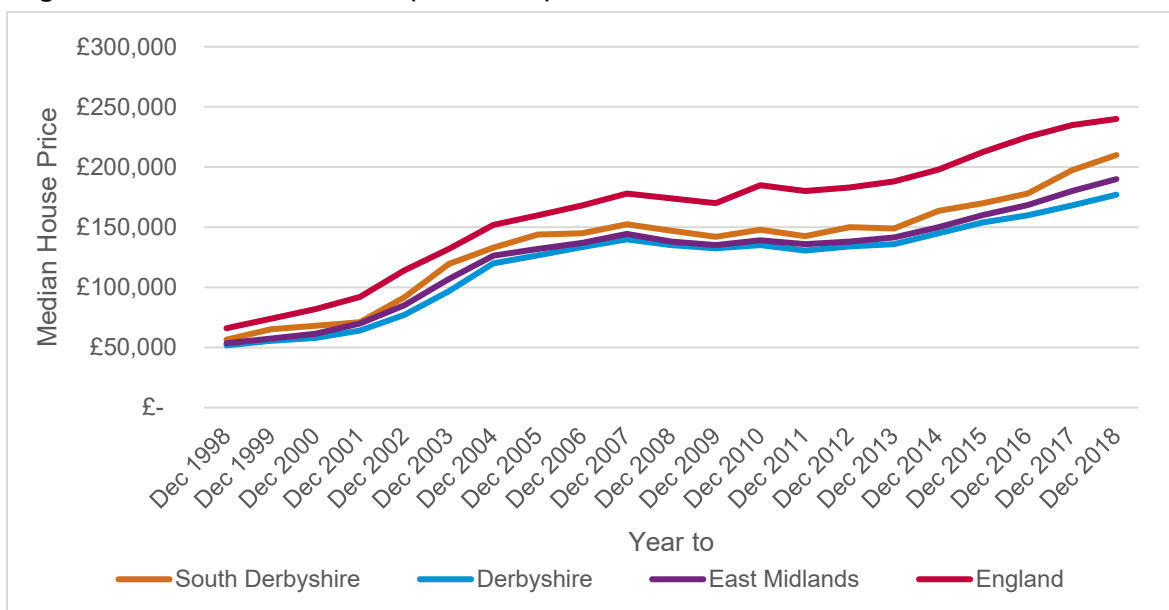
- 3.15 Over the ten-year period (2008-2018) house prices have increased by £63,000 which is similar to the last five years. This is because there was very little growth in the post-recession period (2008-13). The percentage change over this period in South Derbyshire (42.9%) was again higher than the county (31.1%), regional (37.6%) and national equivalents (38.0%).

Figure 5: Median House Price in South Derbyshire and Wider Geographies (Dec 1998 to Dec 2018)



Source: ONS Median House Price by Local Authority, 2019

- 3.16 Over the twenty-year period to December 2018, the change in median house prices in the District was around £153,000. This is the equivalent of a 271.7% growth which was again higher than the county (242%), regional (255%) and national (263.6%) equivalents.
- 3.17 It is also worthwhile examining the trends between these five year periods as the figure overleaf illustrates. Broadly the trend in South Derbyshire follows the national trends albeit at a lower rate in the growth was fastest at the early part of the century (2001-2007).
- 3.18 In all areas house price growth stalled as a result of the recession in 2007 and did not begin to recover until 2013. Since 2013 growth has been faster in South Derbyshire than any of the wider comparator areas.

Figure 6: Median House Price (1998-2018)

Source: ONS Median House Price by Local Authority, 2019

- 3.19 We have examined sales data by type of property for the last full year (2018). This uses the same Land Registry data as Table 1. The data indicates that prices are higher in South Derbyshire than across the County and Region, although they remain below the national average (which will be driven up by London and the South East).

Table 2: Median Price Paid Data on Dwelling Type (2018)

	Detached	Semi-Detached	Terrace	Flat	Overall
South Derbyshire	£270,000	£166,000	£137,000	£107,250	£203,150
Derbyshire	£267,748	£155,000	£125,000	£115,000	£175,000
East Midlands	£270,000	£169,500	£139,000	£115,000	£182,500
England	£330,000	£205,000	£175,000	£210,00	£230,000

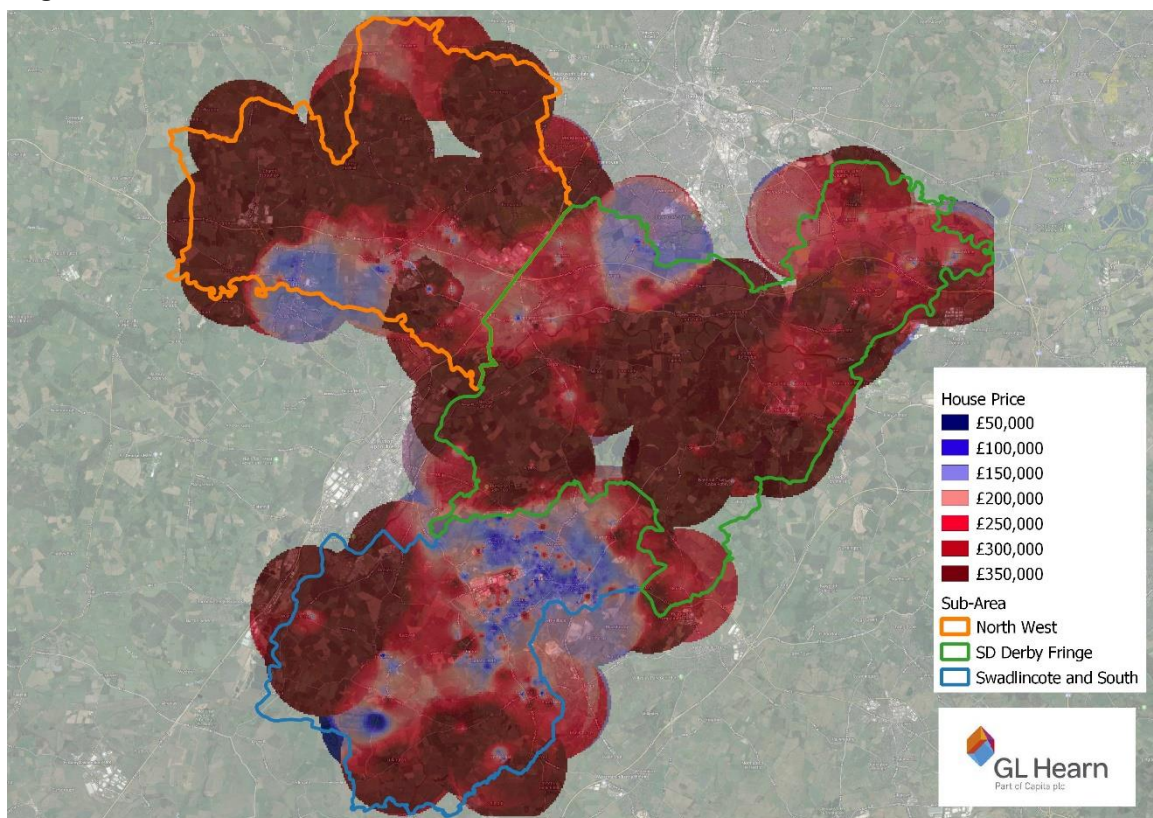
Source: Land Registry Price Paid Data

- 3.20 It is important to note that detached properties are similarly priced across the Region, County and District areas, however it is the greater proportion of these more expensive, detached dwellings in South Derbyshire that explains the overall higher than average house price for the District. Conversely, while smaller properties tend to be of lower value, there are proportionately fewer of them.

Sub-area House Prices

- 3.21 The figure below is a heat map of median house prices by sub-area in South Derbyshire District. This clearly shows that the lowest median house prices are found in the Swadlincote and South sub-area and the area south of Stenson Fields and around Hatton.
- 3.22 In contrast, the rural areas around the North West and Derby Fringe show significantly higher house prices. Derby Fringe is experiencing significant housing growth, with new build stock contributing to the higher median house prices in this part of the District. This level of growth is not only meeting the housing needs of South Derbyshire but the needs of other local authorities, in particular, Derby City.

Figure 7: Median House Price in the Sub-areas



Source: GL Hearn

- 3.23 This urban/rural split illustrates the difference in median house prices between the housing stock in each of the sub-areas. i.e. smaller accommodation in the towns and larger accommodation in rural areas.

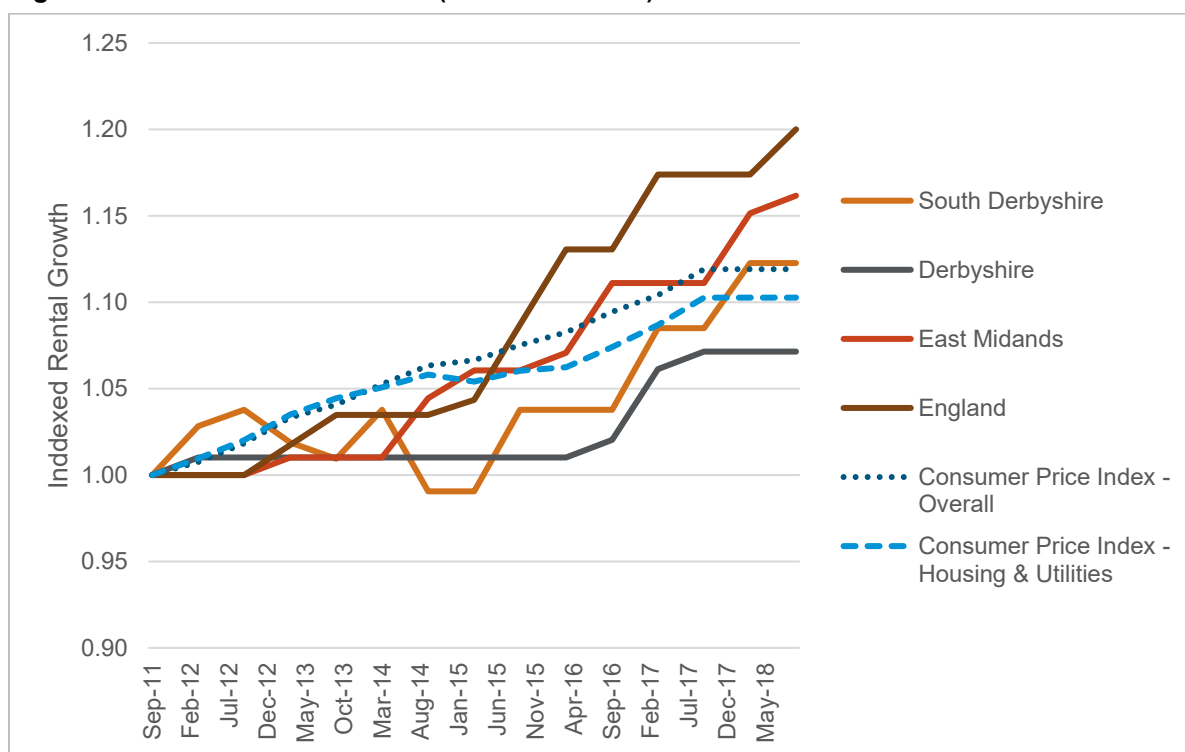
Rental Values

- 3.24 The median rental value in South Derbyshire is £595 per month for the year to September 2018. This number is based on 607 transactions recorded by the Valuation Office Agency. Rental values in South

Derbyshire are higher than Derbyshire County (£525) and the East Midlands (£575), yet lower than the rest of the nation (£690).

- 3.25 Median rental values in South Derbyshire have increased by 12% since 2011. This growth is greater than the level of growth experienced in the County (7%), but below the East Midlands (16%) and the national equivalent (20%).
- 3.26 As illustrated in the figure overleaf, since 2011, the median rental value of properties in South Derbyshire has increased at a slower rate than both the CPI and the housing CPI indices of inflation. Only in the year 2018 has the rental value of properties in South Derbyshire grown faster than both CPI and Housing CPI. This means that rents have increased in real terms.

Figure 8: Median Rental Growth (Indexed to 2011)



Source: VOA, 2017

- 3.27 The table overleaf looks at the lower quartile rental values of South Derbyshire at a finer grain, reporting the median rental value for the Derby Fringe, Swadlincote and South and North West sub-areas by house size.
- 3.28 In South Derbyshire, the Swadlincote and South sub-area has the lowest, lower quartile rental values at £470 per month for all dwellings. Rental values range from £400 per month for a 1-bedroom property to £775 for a 4-bedroom property.

- 3.29 In comparison, the lower quartile rental value for all property types in the North West is £565. A 1-bedroom property in the North West sub-area is £440 per month, increasing to £895 per month for a 4-bedroom property.
- 3.30 The Derby Fringe market has the highest lower quartile rental values in South Derbyshire, achieving £640 for all dwelling types. 1-bedroom properties reach £460 per month, increasing to £665 per month for a 3-bedroom and £960 per month for a 4-bedroom property.

Table 3: Lower Quartile Market Rents (per month) by Sub-area

Type	Derby Fringe	Swadlincote and South	North West
1-Bedroom	£460	£400	£440
2-Bedrooms	£550	£470	£520
3-Bedrooms	£665	£555	£625
4-Bedrooms	£960	£775	£895
All properties	£640	£470	£565

Source: Valuation Office Agency and on the market search

- 3.31 It is worthwhile examining lower quartile rents alongside LHA rates to understand whether lower-earning households can access the PRS. Three Broad Rental Market Areas (BRMA) cover South Derbyshire, these are the Derby Housing Market Area (Etwell, Findern, Ticknall, Melbourne, Stenston) and East Staffs BRMA (Hatton, Hilton, Willington, Repton, Swadlincote). The third is the Leicester BRMA; however, this only covers a very small part of the District (Calke).
- 3.32 As the table below demonstrates, the LHA rates across the District are lower than lower quartile rents in all of the three sub-area for each of the four sizes of accommodation examined.

Table 4: Local Housing Allowance by Broad Rental Market Area (November 2019)

Size	Derby BRMA		East Staffs BRMA		Leicester BRMA	
	Per Week	Per Month	Per Week	Per Month	Per Week	Per Month
Shared Accommodation	£58.82	£254.89	£60.04	£260.17	£63.22	£273.95
One Bedroom	£84.75	£367.25	£84.03	£364.13	£86.30	£373.97
Two Bedrooms	£103.50	£448.50	£103.56	£448.76	£109.32	£473.72
Three Bedrooms	£117.70	£510.03	£123.58	£535.51	£130.38	£564.98
Four Bedrooms	£155.30	£672.97	£162.40	£703.73	£163.16	£707.03

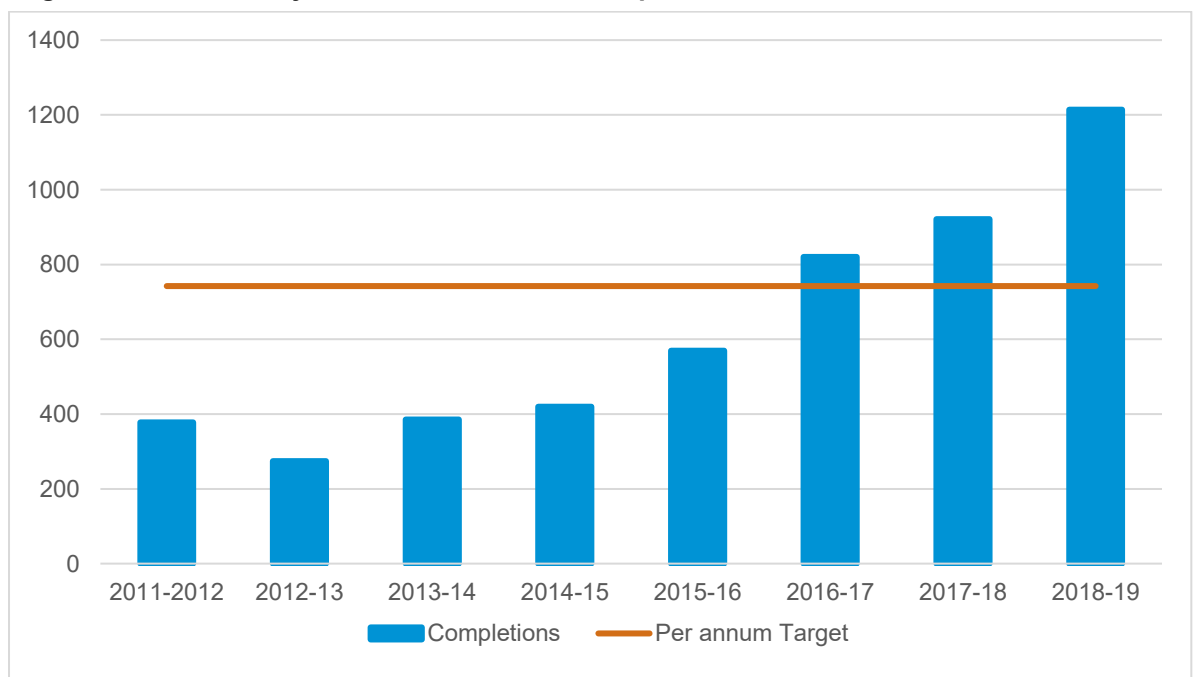
Source: Valuation Office Agency, 2019

- 3.33 This results in households being forced to live in smaller homes than they need or spending a larger percentage of household income on affording higher rents than can reasonably be afforded.
- 3.34 The impact of the relatively low LHA rate is likely to be an increased need for social and affordable rented homes.

Completions

- 3.35 Data has been drawn from South Derbyshire's Annual Monitoring Reports over the period 2011 to 2019. As illustrated in the figure below, it is evident that since the recession, the market took some time to recover.
- 3.36 Historic completions have been below the anticipated annual Local Plan housing target until the year 2016/2017 where the number of completions increased by 44% on the previous year (2015/2016). In the years following, the completions have been above the annual Local Plan housing target.
- 3.37 The financial year 2018/2019 experienced the greatest volume in dwelling completions, reaching 1,218 dwellings delivered which is well above the annual Local Plan housing target.
- 3.38 Cumulatively since 2011, 4,985 dwellings have been completed, which is below the required Local Plan housing requirement of 5,938 for that period. This leaves a residual need of 7,633 dwellings to be completed by the end of the Plan period.

Figure 9: South Derbyshire Cumulative Net Completions 2011-2019

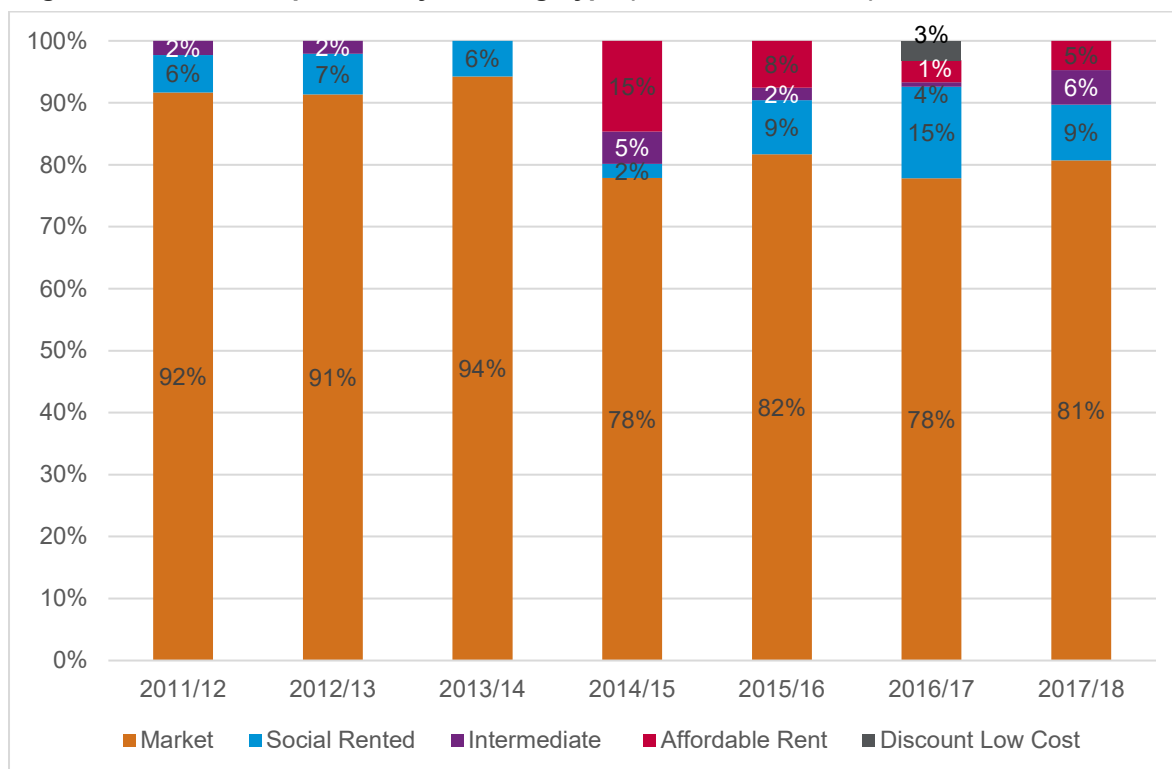


Source: SDDC Monitoring Data

- 3.39 The Council's Housing Position Paper (2018) reports the housing completions by dwelling type over the 2011/2012 to 2017/2018 period. As anticipated, market housing has been the dominant type of dwelling completed over the period (83%).

- 3.40 The social housing sector comprised the remaining 17% of completions with 9% social rented housing, 5% affordable rented housing, 3% intermediate housing and 1% “discounted” homes.

Figure 10: Gross Completions by Dwelling Type (2011/12 to 2017/18)

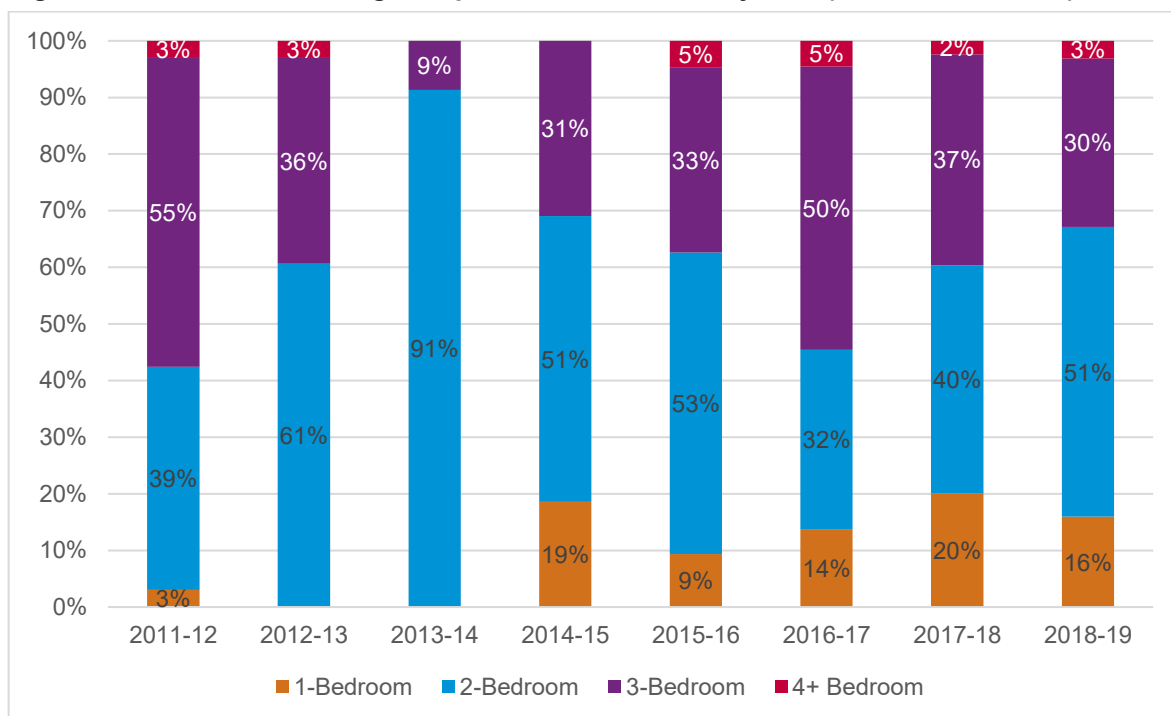


Source: South Derbyshire Housing Position Paper, 2018

- 3.41 In terms of affordable dwelling completions, annual monitoring data shows that cumulatively there have been 883 affordable dwellings completed over the 2011/2012 and 2018/2019 period. The last two years have seen a significant increase in the delivery of affordable dwellings with 180 provided in 2017/2018 and 225 in 2018/2019. A large proportion (54%) of affordable dwellings have been delivered in the Derby Fringe sub-area, followed by Swadlincote and South (34%) and the North West (12%).
- 3.42 The figure overleaf illustrates the affordable housing completions in South Derbyshire by bedroom size since 2011/2012. In terms of the types of affordable homes being delivered over the period, 14% have been 1-bedroom, 48% 2-bedrooms, 35% 3-bedrooms and 3% 4+ bedrooms.
- 3.43 Since 2011, most completions have been 2-bedroom and 3-bedroom dwellings. Very few 1-bedroom affordable dwellings were completed in the earlier years, however, the volume increased from 2014/2015 and accounting for 19% of affordable dwellings supplied in 2014/2015. This volume

remained consistently above 9% in the following years to reach 20% at 2017/2018 and 16% at 2018/2019.

Figure 11: Affordable Housing Completions in South Derbyshire (2011/12 to 2018/19)

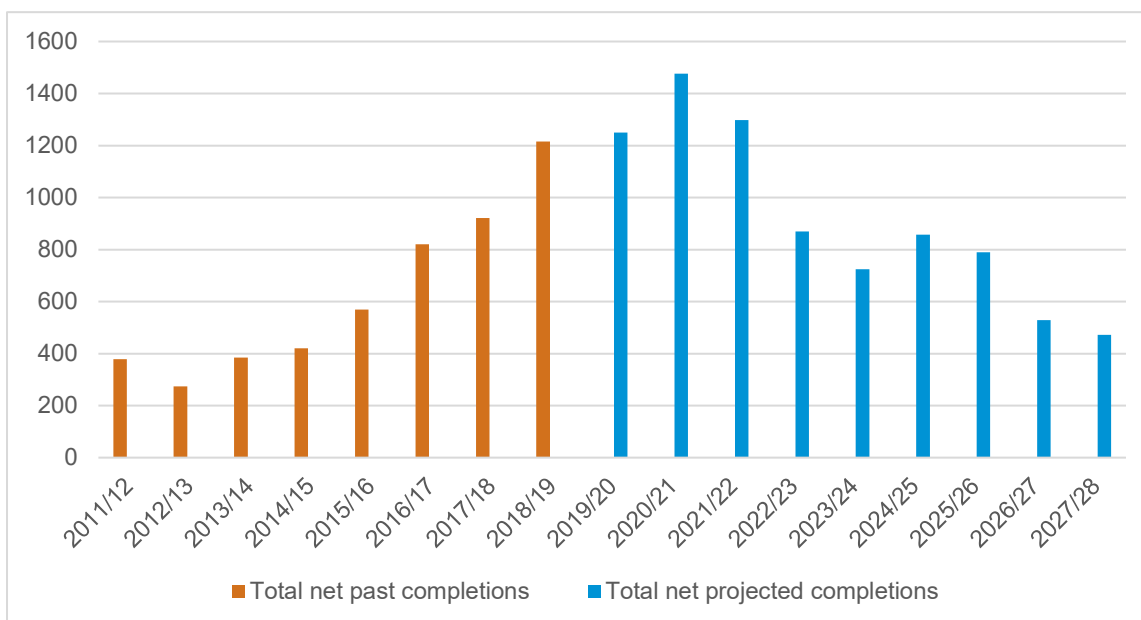


Source: SDDC Monitoring Data

- 3.44 South Derbyshire District Council has provided data on the Council's housing stock. At September 2019, there were 2,972 properties on the Council's stock portfolio. Of this total, 52% are houses, 26% are flats, 22% are bungalows and less than 1% are bedsit accommodation.
- 3.45 The Council's property is comprised as follows: 23% are 1-bedroom, 39% are 2-bedroom, 33% are 3-bedroom and 5% are 4+ bedrooms. Less than 1% of accommodation have no bedrooms, this includes bedsit accommodation.

Projected Completions

- 3.46 The Council have also provided an indication on the level of expected completions for the remainder of the Plan period. In total, the District is expected to deliver 9,281 dwellings in the remainder of the Plan period. This would help achieve the Government's objective of "significantly boosting the supply of homes" as set out in Paragraph 59 of the NPPF.

Figure 12: Completions and Projected Completions (2011 to 2028)

Source: SDDC Monitoring Data

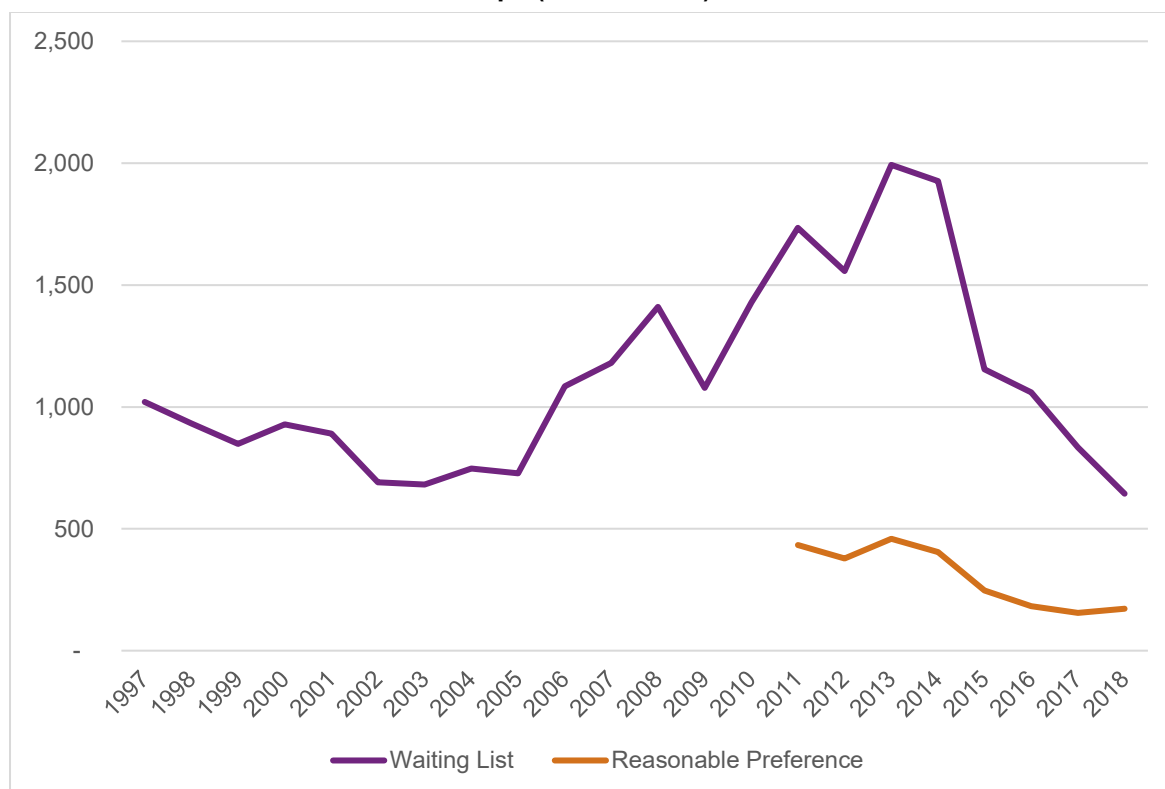
- 3.47 The highest year of delivery is expected to be in 2020/2021 when 1,476 are forecast to be completed; the years following a fall in delivery is expected. Over the remainder of the plan period, delivery is expected to average 1,032 dwellings.

Housing Waiting List

- 3.48 The figure overleaf illustrates the number of households on the Council's housing waiting list in South Derbyshire over the 1997 to 2018 period. The years 2013 and 2014 had the highest volume of households on the waiting list, with 1,993 and 1,927 households respectively.
- 3.49 Since this time, the number of households on the waiting list decreased due to revisions of the Council's Allocations Policy in light of the Localism Act; which included the addition of a local connection criteria and stricter qualification criteria to join, although it should be noted that the Policy does allow people with no housing need onto the list and has priority categories allowing tenants to downsize to make the best use of the available housing stock.
- 3.50 At 2018, there were 644 households on the Council's housing waiting list. This is a 23% reduction from the year before where there were 834 households. At the end of 2018, there were 172 households in a "reasonable preference" category.

- 3.51 “Reasonable preference” groups are defined by the 1996 Housing Act and include, the homeless, people occupying insanitary or overcrowded housing; people who need to move on medical or welfare grounds (including any grounds relating to a disability) and those who need to move to a particular locality in the district, where failure to meet that need would cause hardship (to themselves or others).

Figure 13: Number of Households on South Derbyshire’s Housing Waiting List and Reasonable Preference Groups (1997 to 2018)



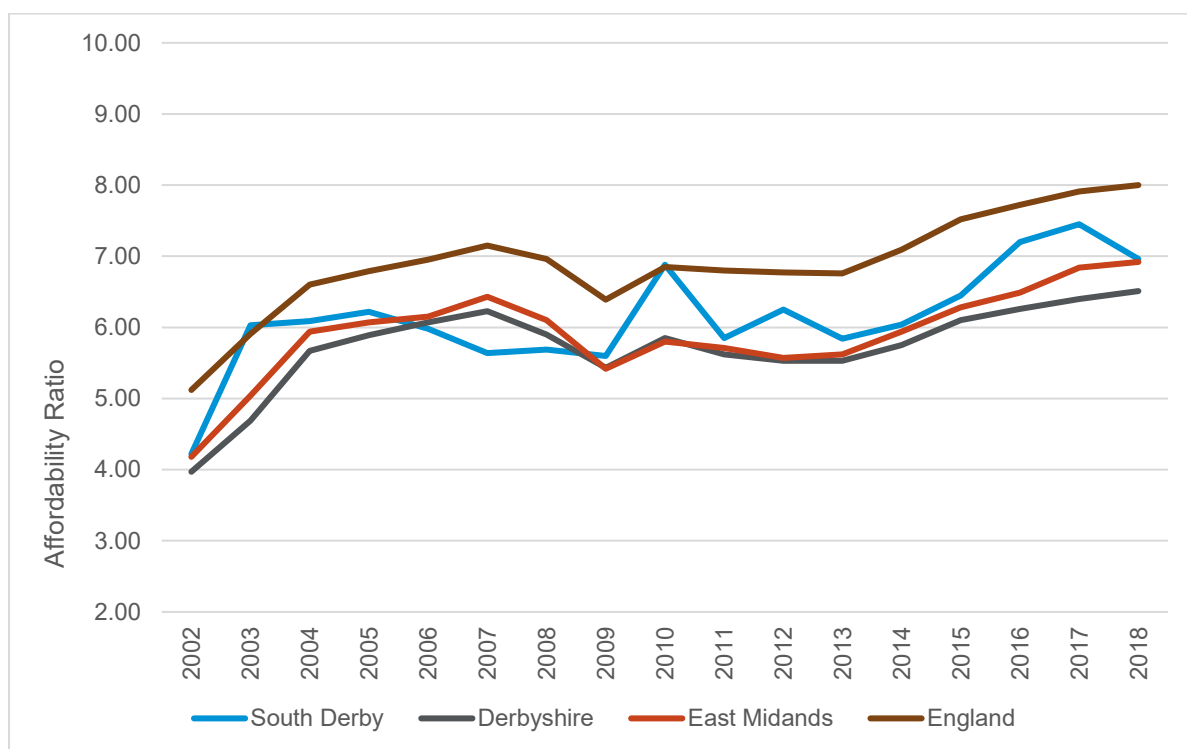
Source: UK Government, Live Table 600, January 2019 and Local Authority Housing Statistics for RPG (from 2011 onwards)

- 3.52 Data on “reasonable preference” groups indicate that these households typically comprise on average around 22% of the overall waiting list, although the percentage does appear to be falling until the last year of recording, where the percentage increased to 27%, or the equivalent of 172 households.

Affordability Ratio

- 3.53 The average ratio of median house price to median gross annual workplace-based earnings for South Derbyshire is 6.96 (at 2018). This means the house prices in the District are around 7 times the earnings of those working in the District.

Figure 14: Affordability Ratio – Median House Price to Median Gross Annual Workplace-Based Earnings, (2002 to 2018)



Source: ONS 2018

- 3.54 Since 2002, the median workplace-based affordability ratio in South Derbyshire has gone from 4.22 to 6.96, a deterioration of 64.9%, which aligns with the County (64%) and the East Midlands (65.6%). This compares to the national equivalent which deteriorated by 56%, from 5.12 in 2002 to 8.00 in 2018.

Agent Consultation

- 3.55 Consultation with estate agents across South Derbyshire has been undertaken to understand the current state of the housing market in terms of the demand for particular products, the profile of buyers, the housing needs of specific groups and the potential gaps in the market.

Swadlincote and South Sub-area

- 3.56 In the Swadlincote and South sub-area, consultation has found that current house prices are comparable with prices at this time last year. Median sale and rental prices are often more reasonably priced in the urban area of Swadlincote and within a 3-mile radius, compared to the rural villages surrounding, such as Caldwell and Rosliston.

- 3.57 It has been identified that across the sub-area, mid-range properties, particularly 4-bedrooms, sell quickly and typically are on the market for three months which is a shorter period than elsewhere in the District.
- 3.58 The sub-area is predominately experiencing demand from first-time buyers, typically seeking 3- and 4-bedroom properties. The profile of the first-time buyer market consists of young couples without children and young families.
- 3.59 Those buying properties in the area are evenly split between those relocating within the wider housing market and those moving from the Birmingham housing market area to secure more reasonably priced medium to large properties. It was suggested that those people moving to the Swadlincote and South sub-area are attracted to the area as they still can commute to employment opportunities in Birmingham.
- 3.60 In terms of smaller properties, agents have suggested that demand is low. Those buying and renting smaller properties in the sub-area are generally older persons and downsizers. However, it was identified that older persons typically want a 2-bedroom bungalow rather than a flat and this type of dwelling type is in low supply.
- 3.61 Demand for older person accommodation is relatively high. The Oakland Village development is an extra-care housing scheme for older people (over 55) with care, support and independent living options. The majority of the homes available are affordable rented accommodation. The property has 88 apartments which all are fully occupied. The consultation confirmed that future development similar to this would be appropriate.
- 3.62 A gap in the Swadlincote and South sub-area market is bungalows, while smaller properties are available these are mostly apartments. An issue identified is that when bungalows do become available, the quality is poor as they have been occupied by an older person for a long period with very little (or no) investment in up-keep.
- 3.63 There has been development activity in Swadlincote with 3- and 4-bedroom new builds becoming available. An issue arising is the design of these new builds as they are being constructed without garages. Given the lack of public transport, there is a reliance on cars therefore this is a feature that would attract a premium.

North West Sub-area

- 3.64 The North West market is in a similar position as it was this time last year. Agents have identified that the greatest level of demand in the sub-area is for 3-bedroom houses. The demand is not in a

particular area, rather distributed fairly evenly across the sub-area, however, it was noted by other agents that there are higher volumes of demand in Hatton, Hilton and Etwall given the hierarchy of settlements in the sub-area and the nature of the housing supply.

- 3.65 In terms of older persons, local agents identified that the market is primarily driven by locals who are downsizing and seeking 1- and 2-bedroom properties. This market seeks one-level living for ease of access and proximity to services and transport.
- 3.66 The type of 1 and 2-bedroom product in demand is generally bungalows in retirement villages. Flats are not in great demand. However, there remains a gap in the market for more older person accommodation, both in terms of purpose-built retirement village housing and smaller private houses.
- 3.67 This is an issue as when people want to downsize as they often want to remain in the local area and yet there is not enough supply of 1-bedroom and 2-bedroom dwellings coming on the market to meet this demand. Providing more smaller homes would encourage downsizing and better use of the existing stock.
- 3.68 Further, engagement with local agents identified that there is a need for more reasonably priced privately rented housing in the sub-area.

Derby Fringe Sub-area

- 3.69 The Derby Fringe sub-area is performing well with market conditions in a similar position to this time last year. It was noted that the sale and lease of 3-bedroom detached and semi-detached properties experience the greatest demand.
- 3.70 Much of the housing demand is associated with employees at Rolls-Royce and the Royal Hospital Derby. This profile of buyer seeks reasonably priced private housing options in good locations with good access to strategic roads and transport. Detached 3-bedrooms homes are the dominant house type.
- 3.71 It was identified that settlements in the north of the sub-area are dominated by demand for 3-bedroom properties, both detached and semi-detached. Agents have identified that there is a volume of new builds coming on the market which come with a premium. However, the area is in high demand from families wanting to stay in the area while seeking higher quality stock.
- 3.72 The profile of those purchasing 3-bedroom properties is mainly first-time buyers with a budget of between £150,000 and £200,000.

- 3.73 Demand is also high for bungalows and agents reported that demand for flats is relatively low. There remains a small volume of buyers seeking flats in the sub-market, typically these are single-person households, including older persons seeking compact living or one-person households employed in the local area.
- 3.74 There is a local retirement development at Richmond Villages in Aston-on-Trent which is privately operated by Bupa Extra-Care. The property includes 76 village apartments, 49 village suites and a 61-bed care home and both sale and rental options are available.
- 3.75 Rental homes are available from around £133 per day. The village apartments are self-contained homes and are on sale for around £295,000 for a 1-bedroom apartment and £340,000 for a 2-bedroom.
- 3.76 The village care homes have private en-suite bedrooms with communal spaces. Residential care is provided for those who have low clinical needs but for whom undertaking daily tasks may be a challenge. Nursing care is provided when a higher level of clinical support is required 24 hours a day.

Key Messages: Market Signals

- In 2019, there were around 45,500 dwellings in South Derbyshire. Detached houses were the dominant dwelling type in the District making up 40% of dwellings.
- Over the Census periods, South Derbyshire experienced a 22% increase in housing stock and has seen a 12% growth since. Flats experienced the greatest growth since 2001, increasing by 74%.
- Recent data on dwelling stock by tenure shows that South Derbyshire has a relatively high proportion of dwellings in the private sector at 90% compared to Derbyshire County (85%) and England (83%).
- The median house price in South Derbyshire in 2018 was £203,000 which is slightly higher than the county (£175,000) and regional median equivalent (£182,500) but lower than the national equivalent (£230,000).
- Median house prices in the District have grown over the last 12 months by 6.3%, which is significantly above the national growth of 2.1%, above the County growth and regional growth of 5.4% and 5.5% respectively.
- Over a twenty-year period to December 2018, the change in median house prices in the District has been 271.1%, rising from £56,500 in 1998 to £210,000 in 2018, compared to a national growth of 263.6%, rising from £66,000 to £240,000 over the same time frame.
- The average ratio of median house price to median gross annual workplace-based earnings for South Derbyshire is 6.96 (at 2018). Since 2002, affordability in South Derbyshire has deteriorated by 64.9%, which aligns with the County (64%) and the East Midlands (65.6%).
- In the year to September 2018, the median rental value in South Derbyshire was £595 per month for the calendar year ending to September 2018.
- Median rental values in South Derbyshire increased by 12% since 2011. This growth is greater than the County (7%), but below the East Midlands (16%) and national (20%) equivalents.
- Between 2011 and 2019 the District's cumulative development has been 4,985 dwellings, which is below the Local Plan housing requirement of 5,938 for that period.
- There has been 883 affordable dwellings completed since 2011. The last two years have seen a significant increase in the delivery of affordable dwellings
- At 2018, there were 644 households on the Council's housing waiting list. This is a 23% reduction from the year before. Of these 172 households in housing need ("reasonable preference" category).

4 FUTURE HOUSING NEED AND POPULATION GROWTH

Introduction

- 4.1 Paragraph 214 of the 2019 NPPF states that any plans submitted after the 24th of January 2019 should be based on the 2019 version of the NPPF including the standard methodology for assessing housing need.
- 4.2 The assessment of local housing need through the standard method is a three-stage process. This is set out in the PPG in relation to Housing and Economic Needs Assessment² which was revised in July 2018, again in September 2018 and most recently in February 2019.
- 4.3 Our approach below calculates the need and population growth for the 2019-2029 period, although once calculated this “can be applied to the whole plan period” as Paragraph 12 (Reference ID: 2a-012-20190220) of the PPG sets out.
- 4.4 The current plan period finishes in 2028 but we can assume the calculated need can be used over that shorter plan period. We have also set out in the Appendix as some key outputs based on extending the identified level of need beyond the plan period to 2036.

Step 1 - Setting the baseline

- 4.5 The baseline is set using the 2014-based national household growth projections. The PPG advises that “the projected average annual household growth over a 10-year period (this should be 10 consecutive years, with the current year being the first year)” should be used.
- 4.6 In South Derbyshire’s the 2014-based household projections show:
- 43,528 households in 2019
 - 48,188 households in 2029
- 4.7 This is a total growth of 4,660 new households over the 10 years, equivalent to an average household growth of 466 per year.

Step 2 - An adjustment to take account of affordability

- 4.8 Step 2 then adjusts the output of step 1 (466 dpa) based on local affordability. This is measured using the most recent (2018-based) median workplace-based affordability ratios. The exact calculation states that “for each 1% increase in the ratio of house prices to earnings, where the ratio is above 4,

² <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

the average household growth should be increased by a quarter of a percent". The exact formula for the adjustment is set out below:

$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

- 4.9 Based on South Derbyshire's affordability ratio of 6.96 the adjustment factor is therefore calculated as follows:

$$\text{Adjustment Factor} = \left(\frac{6.96 - 4}{4} \right) \times 0.25 + 1 = 0.185 \text{ or } 118.5\%$$

- 4.10 This means that an additional 18.5% should be added to the household forecasts. The housing need is for South Derbyshire is thus calculated as 552 dpa based 118.5% of 466 dpa (step 1).
- 4.11 This step also ensures that there is no backlog need before the assessment date to be added to the need or requirement. As Paragraph 11 of the PPG states "the affordability adjustment is applied to take account of past under-delivery. The standard method identifies the minimum uplift that will be required and therefore it is not a requirement to specifically address under-delivery separately."

Step 3 - Capping the level of any increase

- 4.12 The final step then caps the level of increase to ensure the adjustment is realistic. How the cap applies depends on the current age and status of the relevant strategic policies for housing. For areas like South Derbyshire where the Local Plan was adopted within the last five years "the local housing need figure is capped at 40% above the average annual housing requirement figure set out in the existing policies." (Paragraph 4, Reference ID: 2a-004-20190220).
- 4.13 The Local Plan Housing Requirement is 742 dpa, therefore, the housing need is capped at 40% above that figure at effectively 1,038. However, the result of this step was significantly lower than this figure therefore no cap was applied. Therefore, as per Step 2, the minimum annual local housing need figure is 552 dpa.

Residual Local Plan Housing Requirement

- 4.14 As the South Derbyshire Local Plan (2016) sets out:

“Fundamental to the strategy is the HMA’s recognition that Derby City is unable to make provision for all its own housing needs within its own boundary. The City is only able to provide 11,000 dwellings over the period to 2028.

This means a collective approach is needed to ensure development needs across the wider Derby area are properly met. As a result, over the plan period at least 12,618 dwellings will be built within the District, of which 9,605 dwellings are to meet South Derbyshire’s objectively assessed housing need and 3,013 dwellings are in part to meet Derby City’s unmet objectively assessed housing need.”

- 4.15 The current housing requirement of 12,618 over the Plan period 2011 to 2028 equates to an annual requirement of 742 dwellings. Based on housing completions data provided by the Council, 4,985 dwellings have been completed from the start of the Plan period (2011) to date in South Derbyshire. This results in a residual housing requirement of 7,633 for the remaining Plan period.
- 4.16 Following 2018/2019 the Council’s housing trajectory data identifies 9,281 net projected completions for the remaining Plan period. It is important to note that the remaining dwellings to be completed includes the Council taking on the unmet need of Derby City.
- 4.17 This residual need is significantly higher than the OAN figure of 4,968 for the equivalent nine-year period. However, based on the existing strategy and committed supply the Council are taking the positive step of maintaining their Local Plan target despite a lower need.
- 4.18 At Paragraph 10, the PPG (Reference ID: 2a-010-20190220) suggests when it might be appropriate to plan for a higher level of housing need than the standard method, stating:
- “that the standard method for assessing local housing need provides a minimum starting point ... there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates... circumstances where this may be appropriate include...an authority agreeing to take on unmet need from neighbouring authorities”.*
- 4.19 This is the case in South Derbyshire, therefore maintaining the requirement based on the Local Plan is appropriate. The target of 7,633 additional homes by 2028, therefore, informs the remainder of the report.
- 4.20 In addition, key longer-term outputs to 2036 based on the standard method need of 552 dpa are set out in Appendix A.

Population Growth

4.21 As set out above the residual requirement for the remainder of the Plan period of 7,633 dwellings. However, to allow for additional modelling to be undertaken in this report we still need to translate this into population growth.

4.22 Although the requirement is not based on the standard method when converting this number into a population growth our approach reflects Paragraph 6 of the PPG:

“An affordability adjustment is applied as household growth on its own is insufficient as an indicator of housing demand because:

- *household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live; and*
- *people may want to live in an area in which they do not reside currently, for example, to be near to work, but be unable to find appropriate accommodation that they can afford.”*

4.23 In other words, if the additional homes above household forecasts and indeed above the standard method are to be filled and are to address the issues set out above, then a combination of reasonable improvements to household formation and increases to migration have to occur.

4.24 A scenario has therefore been developed which increases migration to South Derbyshire and builds in an improvement to the household formation of younger people such that there are sufficient population to fill 7,633 additional homes.

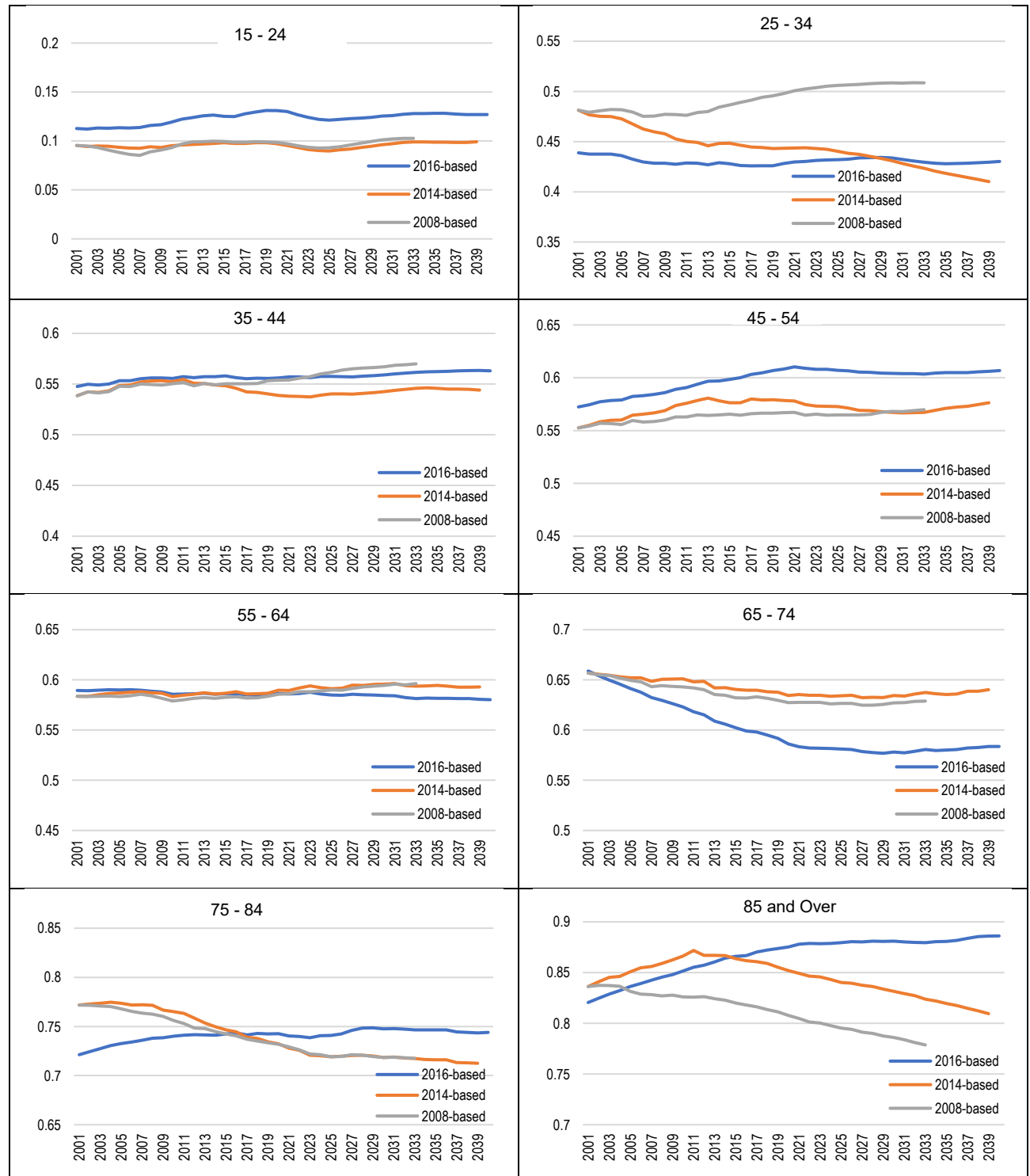
Household Formation Rates

4.25 We have first sought to establish what a reasonable improvement to household formation rates entails. As too little an adjustment would continue to see households being unable to form and too great an adjustment might be unrealistic and leave empty homes.

4.26 The latest household representative rates (HRR) are contained in the ONS 2016-based sub-national household projections (SNHP) published in September 2018. However, the 2016-based SNHP have come under some heavy criticism, this is largely because they are based only on data in the 2001-11 Census period and arguably build in the suppression of household formation experienced in that time.

4.27 The previous (2014-based) projections used a longer time-series (all Census points back to 1971) and therefore do cover a wider housing market cycle. However, as the Figure 15 shows while the 2014-based projections are broadly more positive than the 2016-based projections for those aged 25-34, there is still a clear and considerable deterioration in the ability to form a household since 2001 which is projected to continue.

Figure 15: Projected Household Representative Rates by Age of Head of Household (selected age groups)



Source: Derived from ONS and CLG data

- 4.28 The reduction in household formation rates for those aged 25-34 from 2001 onwards, as demonstrated in the 2014-based household projections, is likely to have increased the number of non-dependent children living with their parents and households sharing accommodation and concealed households.
- 4.29 In addition, when the 2014-based HRRs are compared to the pre-recession 2008-based HRRs the HRR are much lower, particularly in younger age groups. As the 2008-based projections are based on pre-recession trends they are reflective of a more positive housing environment.
- 4.30 If either the 2014-based or 2016-based HRR figures are used, it would be clear that the objective of the affordability adjustment would not be met. This is because households in these age groups would still not be able to form in the way that they once did and arguably should.
- 4.31 In such circumstances, it would be reasonable to consider a further adjustment to HRR, as otherwise, residents in these younger age groups would not be able to form in the way in which they would perhaps like to or had done so historically.
- 4.32 We have therefore developed a model which increases the household formation rates of the population aged 25-44. This links back to the 2008- and 2014-based SNHP and can be termed a 'part-return-to-trend', where the rate of household formation sits somewhere between these figures. This approach was suggested by the Local Plans Expert Group (LPEG).
- 4.33 However, this amended HRR applied to the published population projections is still well short of the residual requirement of 7,633 dwellings. That is even with the baseline population growth (from the official projections) spread more thinly across a greater number of homes there is still not enough people to accommodate the 3447 additional homes above the official projections (7633- 466*9 from step 1).
- 4.34 On this basis, the migration assumptions have been changed so that across the District the population increase and therefore household increase matches the residual housing requirement (including a vacancy allowance).

Migration

- 4.35 The changes to migration have been applied on a proportionate basis; the methodology assumes that the age/sex profile of both in- and out-migrants is the same as underpins the 2016-based SNPP with adjustments being consistently applied to both internal (domestic) and international migration. Adjustments are made to both in- and out-migration (e.g. if in-migration is increased by 1% then out-migration is reduced by 1%).

4.36 In summary, the method includes the following assumptions:

- Base population in 2018 from the latest mid-year population estimates.
- Household representative rates from the 2014-based Sub National Household Projections with an adjustment for a part-return to 2008-based trends; and
- The migration profile (by age and sex) in the same proportions as the 2016-based SNPP

4.37 In developing this projection, a notably higher level of population growth is derived for South Derbyshire (15,660 additional people compared with 7,300 in the 2016-based SNPP (as published)).

4.38 The age structure of the two projections is also somewhat different, with the projection linked to the residual need showing stronger growth in what might be considered as 'working-age' groups. This arises as ONS data shows that migrants are heavily concentrated in those age groups (along with their associated children).

4.39 The table below shows the age structure of the population projected to be consistent with the delivery of 7,633 dwellings from 2019 to 2028.

Table 5: Population Change by Five-Year Age Bands – South Derbyshire (2019 to 2028)

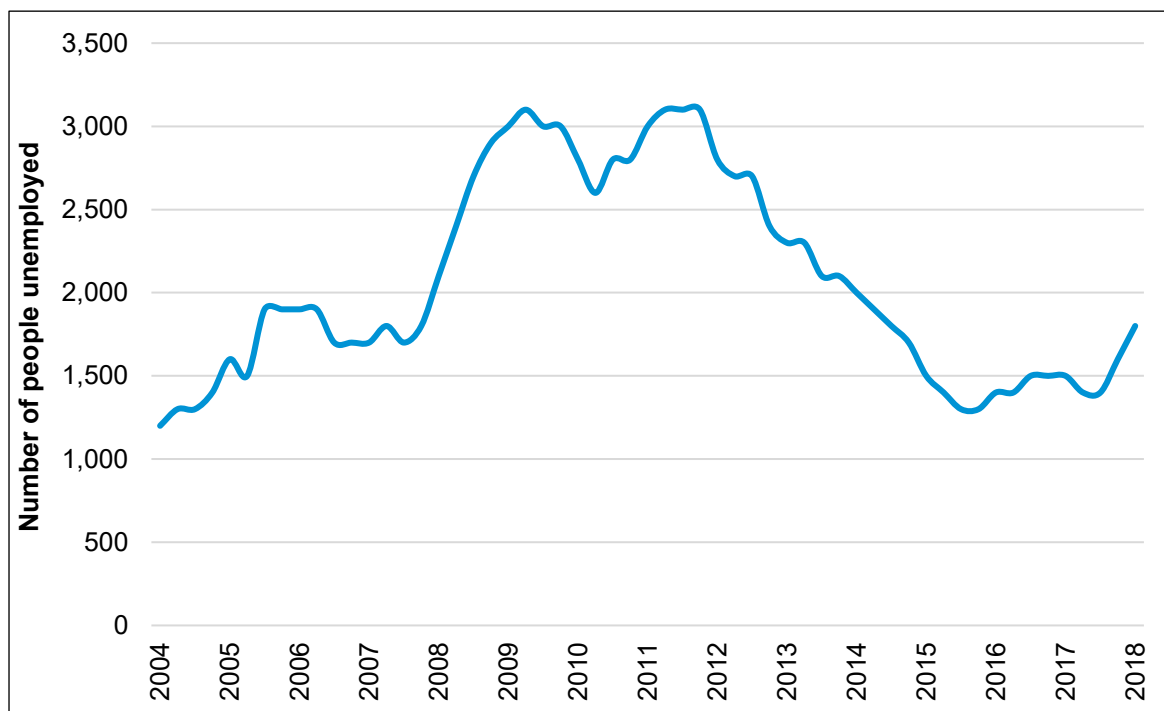
	Population 2019	Population 2028	Change in population	% Change
Under 5	5,920	6,780	860	14.5%
5-9	6,374	6,930	556	8.7%
10-14	6,346	6,997	651	10.3%
15-19	5,700	6,929	1,228	21.5%
20-24	5,242	5,526	284	5.4%
25-29	6,537	6,690	153	2.3%
30-34	6,608	7,741	1,133	17.2%
35-39	6,939	8,364	1,425	20.5%
40-44	6,551	8,013	1,461	22.3%
45-49	7,776	7,875	100	1.3%
50-54	8,375	7,177	-1,197	-14.3%
55-59	7,385	8,510	1,125	15.2%
60-64	6,131	8,523	2,393	39.0%
65-69	5,758	7,295	1,538	26.7%
70-74	5,534	5,754	219	4.0%
75-79	3,640	4,967	1,327	36.5%
80-84	2,422	4,083	1,661	68.6%
85+	2,182	2,924	742	34.0%
Total	105,419	121,078	15,660	14.9%

Source: Demographic projections

- 4.40 The population projections reported in the table above show there is expected to be growth across all age groups, except the 50-54 age group which is projected to decline by approximately 14%.
- 4.41 The age groups considered to be working age are expected to experience positive growth with the 30-34 age group projected to increase by 17%, 35-39 age group to increase by 21% and 40-44 age group to increase by 22%. The 45-49 age group, however, is expected to grow only slightly by 1% over the period.
- 4.42 The population projections show an increase in those over 60 years in South Derbyshire for the period to 2028. The 80-84 age group (approximately 69%) and 60-64 age group (approximately 39%) are projected to experience the highest proportional growth for the population over 60.

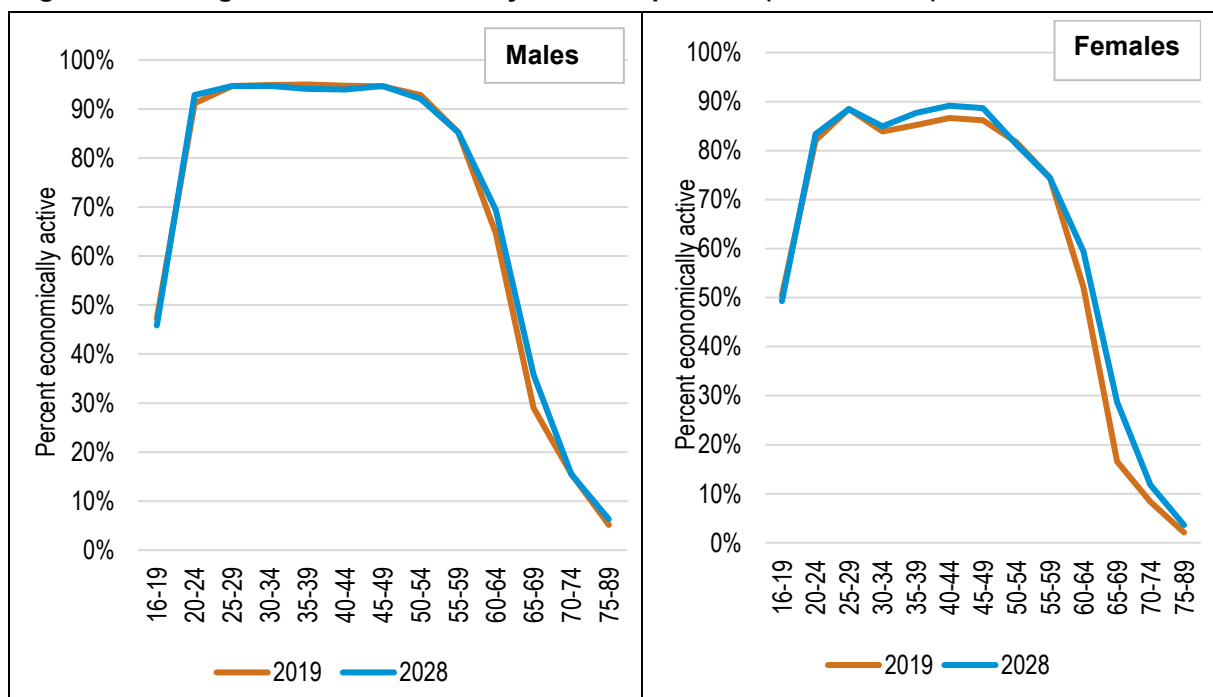
Labour force growth

- 4.43 As part of determining the housing need, consideration has been given to economic growth and how many jobs the residual housing requirement can support as there is still a requirement for local authorities to align their economic and housing strategies.
- 4.44 As established, the residual requirement for South Derbyshire is 7,633 for the remaining Local Plan period to 2028. The population is expected to grow by 15,660 (or 14.9%) over the same period.
- 4.45 The working-age population (15-64) within the population projections is expected to increase by 8,105. This compares to a growth in the population of retirement age (65+) of 21,147. The current working age to retirement age ratio is 0.54 however this is expected to fall to 0.52 as the growth in the retirement age population outstrips that of a working age.
- 4.46 However, some of those of retirement age will still be economically active, therefore, to translate this population growth into labour force growth and jobs growth, a series of assumptions need to be made.
- 4.47 The first step is to understand how economic activity might change and therefore what the resident labour force would be. There are several factors to the economic activity rates including age profile, unemployment and changing pensionable ages.
- 4.48 Unemployment in South Derbyshire was analysed to reveal changes over time. As the figure below illustrates, unemployment patterns are somewhat in line with broader economic cycles. Unemployment in South Derbyshire was at its highest during the Global Financial crisis around 2008 to 2012. In the years following this, unemployment started to reduce and remained low until over the last year where it increased again to 1,800 (See Figure overleaf).

Figure 16: Number of People Unemployed in South Derbyshire (2004 to 2018)

Source: Annual Population Survey

- 4.49 We next considered how economic activity may change between 2019 and 2028. From this, we drew on the Office of Budget Responsibility (OBR) July 2018, Fiscal Sustainability Report (FSR) and adjusted the start point and age structure in South Derbyshire. The figure below illustrates changes to economic activity rates for both males and females.
- 4.50 The percent of economically active males is forecast to continue the same trend to 2028. However, there is a slightly higher percentage of the population that is economically active over the age of 60. The change is more apparent for females for whom it is projected that a higher percentage of the economically active population will be working from those aged 35 and older. This includes a noticeably higher proportion of economically active females over the age of 65 in 2028.

Figure 17: Changes to the Economically Active Population (2019 to 2028)

Source: Demographic projections

- 4.51 Applying these assumptions to the population growth under the residual Local Plan housing requirement makes it possible to assess the growth in the economically active population in South Derbyshire. As set out in the table below, the residual Local Plan housing requirement will create an additional 8,023 economically active persons over the 2019 to 2028 period. This change is significantly greater than the SNPP even when adjusted to take account of the latest mid-year estimates.

Table 6: Change in the Economically Active Population (2019 to 2028)

	Economically active (2019)	Economically active (2028)	Change
SNPP	55,319	58,298	2,980
SNPP (+MYE)	56,789	59,812	3,023
Residual Local Plan Need	56,789	64,812	8,023

Source: GLH modelling

- 4.52 The final step is to translate this growth in economically active residents to jobs taking account of those with more than one job and those who are likely to commute in and out of South Derbyshire for work.

Commuting Patterns

- 4.53 The table below shows the commuting ratio for South Derbyshire which is calculated as the number of people living in an area (and working anywhere) divided by the number of people working in the area (regardless of where they live).
- 4.54 There are 14,322 people that commute into South Derbyshire for employment and 28,253 that commute out of the district for employment opportunities. As a result, South Derbyshire is a net out-commuter.
- 4.55 The number of people resident in South Derbyshire and in employment is around 40% higher than the total number who work in the area regardless of where they live (which is reflected in the commuting ratio in the table below). This means that for every 1,000 additional residents it would support 600 additional jobs in the district.

Table 7: Commuting Patterns (2011)

	South Derbyshire
Live and work in LA	11,520
Homeworkers	5,174
No fixed workplace	3,156
In-commute	14,322
Out-commute	28,253
Total working in LA	34,172
Total living in LA (and working)	48,103
Commuting ratio	1.408

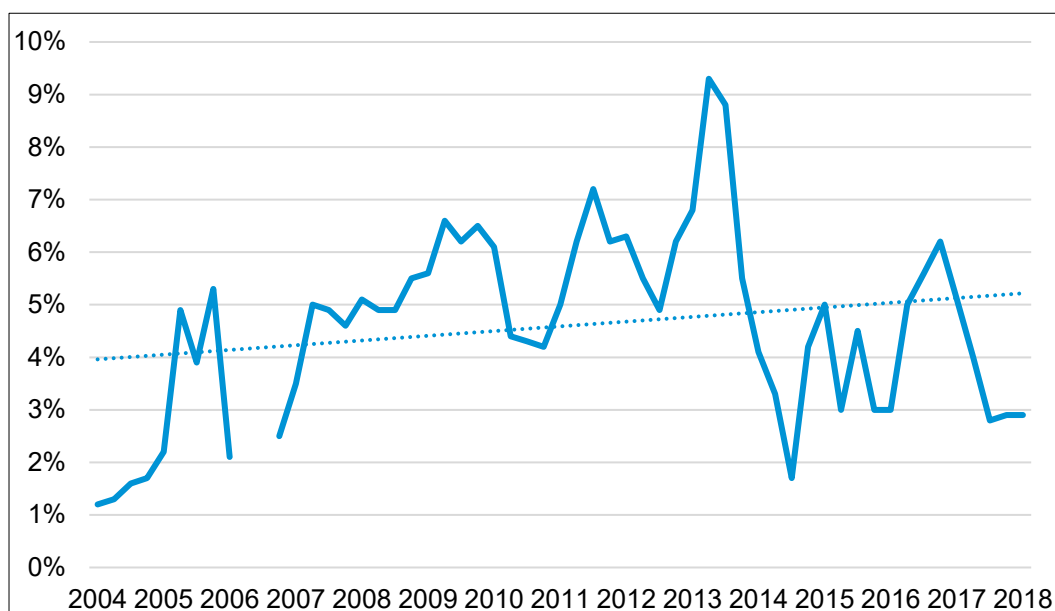
Source: 2011 Census

- 4.56 The proportion of people commuting to and from South Derbyshire is not assumed to change even if the number of jobs does. This is an important consideration to assume otherwise we would see local authorities planning their labour force growth on a population which is no longer commuting to an area or housing growth which under or over-estimates the demand.
- 4.57 It is also not unreasonable to assume that commuting patterns will change in future and will have changed since 2001. However, no robust commuting data is published between the census. In any case, such future changes should be agreed at a strategic level under the duty to cooperate. It will be for the local authorities to decide the merits of different policy approaches to changing commuting patterns.

Double-Jobbing

- 4.58 We also need to consider the fact that some people will hold down more than one job. Where data is available, double jobbing has been analysed to show the percentage of people with multiple jobs at any one time.
- 4.59 Since 2004, the percentage of people with a second job has fluctuated, however, it has constantly remained below 7.5% until 2013 where it increased to just over 9%. Following this, the percentage decreased again and remained below 5% before reaching 6% in 2017 and dropping again in 2018. Due to the high level of fluctuations in the data, we have opted to use the long-term average for our calculation (4.6%).

Figure 18: Percentage of all People in Employment who have a Second Job (2004 to 2018)



Source: Annual Population Survey

- 4.60 As identified in the table below, the 8,023 additional economically active residents would support an additional 5,975 jobs in the district over the remainder of the Plan period. This equates to 664 jobs per annum.

Table 8: Jobs Supported by Growth in the Economically Active Population (2019 to 2028)

	Total change in economically active	Allowance for net commuting	Allowance for double jobbing (= jobs supported)
Residual Local Plan Need	8,023	5,699	5,975

Source: GLH Modelling

Housing Need: Key Messages Points

- The Standard Method housing need for South Derbyshire results in a need of 552 dpa based on the 2014-based household projections. This equates to 4968 dwellings over the remainder of the Local Plan period to 2028.
- However, the residual housing requirement based on the requirement set out in the Local Plan is higher and the Council have opted to take the positive step and maintain this level of housing need
- The residual Local Plan housing target has been calculated at 7,633 over the remaining plan period (2019 to 2028). This figure includes an apportionment of Derby City's unmet need.
- Using our modelled approach to population growth associated with the residual need, we have ensured that household formation rates are improved and population growth through migration is increased. The modelling shows a growth of 15,660 or 14.9% over the 2019 to 2028 Plan period.
- This substantial increase above the official projections is to ensure that the additional homes are occupied.
- The residual Local Plan housing target will support an additional 5,975 jobs (664 jobs per annum) over the 2019 to 2028 period.

5 AFFORDABLE HOUSING NEED

Introduction

- 5.1 Affordable housing is defined in Annex 2 of the NPPF (2019). The new definition is slightly wider than the previous NPPF (2012) definition; in particular, a series of ‘affordable home ownership’ options are considered to be affordable housing. The full definition is as follows:

“Affordable housing: housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers); and which complies with one or more of the following definitions:

*a) **Affordable housing for rent:** meets all of the following conditions: (a) the rent is set in accordance with the Government’s rent policy for Social Rent or Affordable Rent, or is at least 20% below local market rents (including service charges where applicable); (b) the landlord is a registered provider, except where it is included as part of a Build to Rent scheme (in which case the landlord need not be a registered provider); and (c) it includes provisions to remain at an affordable price for future eligible households, or for the subsidy to be recycled for alternative affordable housing provision. For Build to Rent schemes affordable housing for rent is expected to be the normal form of affordable housing provision (and, in this context, is known as Affordable Private Rent).*

*b) **Starter homes:** is as specified in Sections 2 and 3 of the Housing and Planning Act 2016 and any secondary legislation made under these sections. The definition of a starter home should reflect the meaning set out in statute and any such secondary legislation at the time of plan-preparation or decision-making. Where secondary legislation has the effect of limiting a household’s eligibility to purchase a starter home to those with a particular maximum level of household income, those restrictions should be used.*

*c) **Discounted market sales housing:** is that sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households.*

*d) **Other affordable routes to home ownership:** is housing provided for sale that provides a route to ownership for those who could not achieve home ownership through the market. It includes shared ownership, relevant equity loans, other low-cost homes for sale (at a price equivalent to at least 20% below local market value) and rent to buy (which includes a period of intermediate rent). Where public grant funding is provided, there should be provisions for the homes to remain at an affordable price for future eligible households, or for any receipts to be recycled for alternative affordable housing provision, or refunded to Government or the relevant authority specified in the funding agreement.”*

- 5.2 The PPG relating to the measurement of affordable housing need was updated in February 2019, although it is similar to that set out in draft in March 2018. The PPG describes the calculation of affordable housing need as relating to *“the current number of households and projected number of households who lack their own housing or who cannot afford to meet their housing needs in the market”*.
- 5.3 The methodology set out in the PPG to look at affordable need does not address the additional (affordable home ownership) definition, other than to identify “the number of households from other tenures in need and those that cannot afford their own homes, either to rent or to own, where that is their aspiration”.
- 5.4 Due to the lack of any detailed guidance the analysis below is therefore split between the current definition of affordable need and the additional definition. This section of the report below deals with the existing definition of affordable need with the following section considering the revised/expanded NPPF definition.

Key Definitions

Housing Need

- 5.5 Housing need is defined as the number of households who lack their own housing or who live in unsuitable housing and who cannot afford to meet their housing needs in the market.

Newly-Arising Need

- 5.6 Newly-arising (or future) need is a measure of the number of households who are expected to have an affordable housing need at some point. As per paragraph 25 of the PPG, this is made up of newly forming households and existing households falling into need.

Supply of Affordable Housing

- 5.7 An estimate of the likely future supply of affordable housing is also made (drawing on secondary data sources about past lettings). The future supply of affordable housing is subtracted from the newly-arising need to assess the net future need for affordable housing.

Affordability

- 5.8 Affordability is assessed by comparing household incomes against the cost of suitable market housing (to either buy or rent). Separate tests are applied for home ownership and private renting and are summarised below:

- a. *Assessing whether a household can afford home ownership: A household is considered able to afford to buy a home if it costs 3.5 times the gross household income – CLG guidance suggests using different measures for households with multiple incomes (2.9x) and those with a single income (3.5x), however (partly due to data availability) we have only used a 3.5 times multiplier for analysis. This ensures that affordable housing need figures are not over-estimated – in practical terms it makes little difference to the analysis due to the inclusion of a rental test (below) which tends to require lower incomes for households to be able to afford access to market housing.*
- b. *Assessing whether a household can afford market renting: A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than a particular percentage of gross income. The choice of an appropriate threshold is an important aspect of the analysis, CLG guidance (of 2007) suggested that 25% of income is a reasonable start point but also notes that a different figure could be used. Analysis of current letting practice suggests that letting agents typically work on a multiple of 40% (although this can vary by area). Government policy (through Housing Benefit payment thresholds) would also suggest a figure of 40%+ (depending on household characteristics). Consideration of a reasonable proportion of income to use in analysis can be found later in this section.*

- 5.9 It should be recognised that a key challenge in assessing affordable housing need using secondary sources is the lack of information available regarding households' existing savings. This is a key factor affecting the ability of young households to purchase housing particularly in the current market context where a deposit of at least 10% is typically required for the more attractive mortgage deals. In many cases, households who do not have sufficient savings to purchase have sufficient income to rent housing privately without support, and thus issue to do with households experiencing difficulties with raising a deposit has a limited impact on affordable housing need.

Methodology

- 5.10 The method for studying the need for affordable housing has been enshrined in guidance for many years, with an established approach to look at the number of households who are unable to afford market housing (to either rent or buy). The analysis below follows the methodology and key data sources in guidance and can be summarised as:
- Current need (an estimate of the number of households who have a need now and based on a range of data modelled from local information) – Analysis in line with Reference ID: 2a-020-20190220.
 - Projected newly forming households in need (based on projections developed for this project along with an affordability test to estimate numbers unable to afford the market) – Analysis in line with Reference ID: 2a-021-20190220.
 - Existing households falling into need (based on studying the types of households who have needed to access social/affordable rented housing and based on study past lettings data) – Analysis in line with Reference ID: 2a-021-20190220.
 - These three bullet points added together indicate the gross need (the current need is divided by 9 to meet the need over the 2019 to 2028 period).

- Supply of affordable housing (an estimate of the likely number of lettings that will become available from the existing social housing stock – drawing on data from CoRe³) – Analysis in line with Reference ID: 2a-022-20190220; and
- Subtracting the supply from the gross need provides an estimate of the overall (annual) need for affordable housing) – Analysis in line with Reference ID: 2a-024-20190220

5.11 Each of these stages is described below. In addition, much of the analysis requires a view about affordability to be developed. This includes looking at house prices and private rents along with estimates of local household incomes. The following sections, therefore, look at different aspects of the analysis.

Local Prices and Rents

- 5.12 An important part of the affordable needs model is to establish the entry-level costs of housing to buy and rent. The affordable housing needs assessment compares prices and rents with the incomes of households to establish what proportion of households can meet their needs in the market, and what proportion require support and are thus defined as having an ‘affordable housing need’.
- 5.13 To establish an affordable housing need, the analysis focuses on overall housing costs (for all dwelling types and sizes). Later in the report, this information is expanded in more detail to present a consideration of the types of affordable housing that might meet local needs. This section focuses on establishing, in numerical terms, the overall need for affordable housing.
- 5.14 The analysis below considers the entry-level costs of housing to both buy and rent across the Council area. The approach has been to analyse Land Registry and Valuation Office Agency (VOA) data to establish lower quartile prices and rents; using a lower quartile figure is consistent with the PPG and reflects the entry-level point into the market.
- 5.15 Data from the Land Registry for the year to March 2019 shows estimated lower quartile property prices in the sub-areas of South Derbyshire by dwelling type. This is taken as a proxy for entry-level costs for home purchases.
- 5.16 The data shows that entry-level costs to buy in South Derbyshire are estimated to start from about £97,000 for a flat and increasing to over £228,000 for a detached house. The lower quartile price across all dwelling types in South Derbyshire is £151,000.
- 5.17 The data shows that the Derby Fringe sub-area has the highest lower quartile values across all dwellings (£200,000) for a house. The lower quartile purchase price for all dwellings in the North West sub-area is £168,000. The value is lower in the Swadlincote and South sub-area (£127,000).

³ The continuous recording of lettings and sales in social housing in England (referred to as CoRe) is a national information source that records information on the characteristics of both private registered providers and local authority new social housing tenants and the homes they rent

- 5.18 The lower quartile price of flats in the Swadlincote and South and North West sub-areas average around £86,000. The Derby Fringe sub-area has a higher average flat price (£276,000), however, as this is driven by the sale of high value retirement flats in Aston on Trent the data has therefore not been included in the table below. Yet, in reporting this, there is a lack of available flat accommodation and therefore the spectrum of values across the sub-areas may reflect low supply.

Table 9: Lower Quartile Cost of Housing to Buy by House Type (year to March 2019)

	Derby Fringe	Swadlincote and South	North West	South Derbyshire
Flat/maisonette	-	£84,000	£88,000	£97,000
Terraced	£149,000	£103,000	£135,000	£113,000
Semi-detached	£170,000	£128,000	£160,000	£138,000
Detached	£251,000	£200,000	£236,000	£228,000
All dwellings	£200,000	£127,000	£168,000	£151,000

Source: Land Registry

- 5.19 The table below shows the lower quartile cost of buying a home by number of bedrooms in the sub-areas of South Derbyshire. Across all sizes, lower quartile values are higher in the Derby Fringe sub-area with 1-bedroom homes at £87,000 and 4-bedroom homes at £281,000. This compares to the noticeably smaller lower quartile cost of smaller homes (1 bedroom) in the Swadlincote and South (£62,000) and North West (£78,000) sub-areas. Lower quartile values for larger homes (4-bedrooms) are also lower in the Swadlincote and South (£201,000) and North West (£253,000) sub-areas compared to Derby Fringe sub-area.

Table 10: Lower Quartile Cost of Housing to Buy by Size (year to March 2019)

	Derby Fringe	Swadlincote and South	North West	South Derbyshire
1-bedroom	£87,000	£62,000	£78,000	£72,000
2-bedrooms	£123,000	£88,000	£110,000	£102,000
3-bedrooms	£164,000	£117,000	£147,000	£136,000
4-bedrooms	£281,000	£201,000	£253,000	£234,000
All dwellings	£200,000	£127,000	£168,000	£151,000

Source: Land Registry and on the market price search

- 5.20 A similar analysis has been carried out for private rents using Valuation Office Agency (VOA) data – this covers a 12-month period to March 2019. For rental data, information about dwelling sizes is provided by the number of bedrooms (rather than types). Notably, there is no data for studio and room only house types.
- 5.21 The VOA data shows the lower quartile cost (across all dwelling sizes) in South Derbyshire is £525 per month. As aligned with the cost of purchasing houses, the lower quartile cost of renting in the Derby Fringe sub-area is £640. This is higher than the South Derbyshire average, Swadlincote and

South sub-area (£470) and North West (£565) sub-area. Note the sub area figures would need to be weighted to get to the district wide figure.

Table 11: Lower Quartile Market Rents Per Month (year to March 2019)

	Derby Fringe	Swadlincote and South	North West	South Derbyshire
Room only	-	-	-	-
Studio	-	-	-	£335
1-bedroom	£460	£400	£440	£425
2-bedrooms	£550	£470	£520	£500
3-bedrooms	£665	£555	£625	£600
4-bedrooms	£960	£775	£895	£850
All properties	£640	£470	£565	£525

Source: VOA data and on the market price search

5.22 It is also worth noting that the VOA did not record any room only transactions. These are typically used by lower earning, young persons either as a first move out of the family home or moving to the area to work. That is not to say there has not been any single rooms let, just that that were not recorded by the VOA. This would however indicate a limited supply of this type of accommodation in any case.

5.23 In comparison to LHA data (2019) for the Derby BRMA, the lower quartile market rents reported for each of the sub-areas in South Derbyshire are higher. The LHA for the Derby BRMA is £368 per month for a 1-bedroom self-contained dwelling compared to lower quartile rents in the Derby Fringe Sub Area of £460.

Table 12: Local Housing Allowance by Broad Rental Market Area (November 2019)

Size	Derby BRMA	East Staffs BRMA	Leicester BRMA
One Bedroom	£367.25	£364.13	£373.97
Two Bedrooms	£448.50	£448.76	£473.72
Three Bedrooms	£510.03	£535.51	£564.98
Four Bedrooms	£672.97	£703.73	£707.03

Source: Valuation Office Agency, 2019

5.24 As of November 2019, LHA rates for Derby are £449 per month for a 2-bedroom, £511 per month for a 3-bedroom and £673 for a 4-bedroom. The equivalent figures for the East Staffs BRMA are broadly similar for 1- and 2-bedroom homes and slightly higher for 3-bedroom (£535 per month) and 4-bedroom homes (£703 per month).

- 5.25 These rates are considerably lower than the lower quartile market rents in all sub-areas, particularly the Derby Fringe and the North West sub-areas. Lower quartile rents are lower in Swadlincote and South sub-area, however still higher than LHA.
- 5.26 A household is considered able to afford market rented housing in cases where the rent payable would constitute no more than a particular percentage of gross income. The choice of an appropriate threshold is an important aspect of the analysis, CLG guidance (of 2007) suggested that 25% of income is a reasonable start point but also notes that a different figure could be used.
- 5.27 Furthermore, analysis of current letting practice suggests that letting agents typically work on a multiple of 40%. Government policy (through Housing Benefit payment thresholds) would also suggest a figure of 40%+ (depending on household characteristics).
- 5.28 The threshold of income to be spent on housing should be set by asking the question 'what level of income is expected to be required for a household to be able to access market housing without the need for a subsidy (e.g. through Housing Benefit)?'
- 5.29 The choice of an appropriate threshold will, to some degree, be arbitrary and will be linked to the cost of housing rather than income. Income levels are only relevant in determining the number (or proportion) of households who fail to meet the threshold.
- 5.30 It would be feasible to find an area with very low incomes and therefore conclude that no households can afford housing, alternatively, an area with very high incomes might show the opposite output. The key here is that local income levels are not setting the threshold but are simply being used to assess how many households can or cannot afford market housing.
- 5.31 As identified above, lower quartile rents for all properties in the Derby Fringe sub-area is £640 per month, £565 per month for the North West and £470 per month for Swadlincote and South. The rental levels in the Derby Fringe and North West sub-areas are relatively high in comparison to those seen nationally (a lower quartile rent of £520 per month across England). This would suggest that the proportion of income to be spent on housing could be higher than the bottom end of the range.
- 5.32 Across England, the lowest of the lower quartile rents are around £400 per month, and if these areas are considered to be at the bottom end of the range (i.e. 25% of income to be spent on housing) then this would leave a residual income of £1,200 per month in those areas.
- 5.33 With the same residual income applied to the sub-areas in South Derbyshire, the income required to afford rent is presented in table 14. This analysis assumes the proportion of household income spent on rent ranges between 27-29% depending on the sub-area.

- 5.34 In the previous Derby SHMA (2013), expenditure threshold of 25% was used to calculate income spent on housing for rented properties i.e. if households only spent 25% of income how many would be in affordable housing need. Given the analysis above and the slight increase in overall private rental housing costs over the past three years, it seems prudent to use the 27-29% as this is at the upper end of this range.
- 5.35 The 27-29% affordability threshold is specific to the analysis of access to private rented housing across the sub-areas and South Derbyshire District. If rent levels were lower, then a lower threshold would be recommended to retain a reasonable balance between housing costs and residual income. Therefore, the same threshold should not be applied in a blanket manner for all types of affordable housing (for example a lower threshold is probably appropriate when looking at social rented homes).
- 5.36 The 27-29% can, however, be used as a guide as to the proportion of income spent on housing considered to be reasonable, the figure can be adjusted based on the actual cost of any particular type of housing.

Income Levels and Affordability

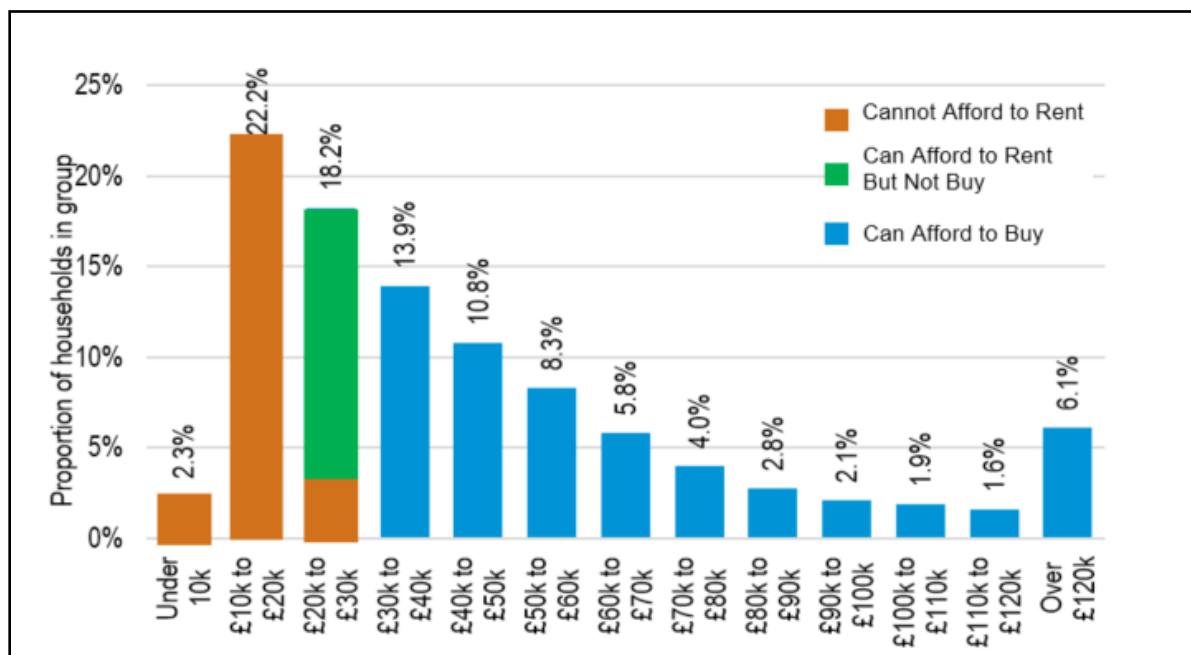
- 5.37 Following on from the assessment of local prices and rents, it is important to understand local income levels as these (along with the price/rent data) will determine levels of affordability (i.e. the ability of a household to afford to buy or rent housing in the market without the need for some sort of subsidy).
- 5.38 Data about total household income has been based on ONS modelled income estimates, with additional data from the English Housing Survey (EHS) being used to provide information about the distribution of incomes.

Table 13: Estimated Household Income (2018)

	Mean	Median	Lower Quartile
Derby Fringe	£48,900	£37,200	£21,500
Swadlincote and South	£41,800	£31,800	£18,400
North West	£54,900	£41,800	£24,200
South Derbyshire	£46,200	£34,800	£20,200

Source: GLH modelling

- 5.39 The figure below illustrates the distribution of household income in South Derbyshire District (based on the mid-2018 estimate). Currently, 22.2% of households in South Derbyshire have an annual household income ranging between £10,000 to £20,000. This is followed by 18.2% of households in the £20,000 to £30,000 household income bracket.

Figure 19: Household Income Distribution in South Derbyshire

Source: GLH modelling

- 5.40 Data from CoRe for the 2017/18 period indicates an average social rent for Council owned properties of £78.20 per week, with a figure of £91.60 seen in lettings from Registered Providers (these figures include service charges and are for general needs properties only). The overall average rent across both types of provider was £85.88 per week (£372 per month).
- 5.41 Equivalent data for affordable rents (which were only available from Registered Providers) showed an average rent of £98.40 (including service charge) – this is £425 per month, which represents about 80% of a lower quartile market rent when looking across the whole District.

Table 14: Indicative Income Levels to Purchase/Rent Without Additional Subsidy

	Entry Level Purchase Price	Entry Level Private Rent	Affordable Rent	Average Social Rent
Derby Fringe	£40,000	£25,700	£22,400	£18,300
Swadlincote and South	£25,400	£21,200	£18,500	£18,300
North West	£33,600	£23,800	£20,700	£18,300
South Derbyshire	£30,200	£22,700	£19,800	£18,300

Source: Core and VOA, Land Registry, 2019

- 5.42 Where affordable rents are considered in the analysis that follows it has been assumed that rents would be set at no more than 80% of the current lower quartile rent figure.

Current Affordable Housing Need

- 5.43 In line with PPG Paragraph 2a-020, the current need for affordable housing has been based on considering the likely number of households with one or more housing problems. The table below sets out the categories in the PPG and the sources of data being used to establish numbers.
- 5.44 The PPG also includes a category where households cannot afford to own a home despite it being their aspiration. This category is considered separately later in this report (under the title of the expanded definition of affordable housing need).

Table 15: Main Sources for Assessing the Current Unmet Need for Affordable Housing

Category	Source	Notes
Homeless households and those in temporary accommodation	CLG Live Table 784	Total where a duty is owed but no accommodation has been secured PLUS the total in temporary accommodation
Households in overcrowded housing	Census table LC4108EW	The analysis was undertaken by tenure and updated by reference to national changes (from the English Housing Survey (EHS))
Concealed households	Census table LC1110EW	Number of concealed families
Existing affordable housing tenants in need	Modelled data linking to past survey analysis	Excludes overcrowded households – tenure estimates updated by reference to the EHS
Households from other tenures in need	Modelled data linking to past survey analysis	

- 5.45 It should be noted that there may be some overlap between categories (such as overcrowding and concealed households, whereby the overcrowding would be remedied if the concealed household moved). The data available does not enable an analysis to be undertaken to study the impact of this and so the figures presented may include a small element of double counting. Additionally, some of the concealed households may be older people who have moved back in with their families and might not be considered as in need.
- 5.46 The table overleaf shows the initial estimate of the number of households within the study area with a current housing need. These figures are before any ‘affordability test’ has been applied to assess the ability of households to meet their own housing needs and has been termed ‘the number of households in unsuitable housing’. Overall, the analysis suggests that there are currently around 2,000 households living in unsuitable housing (or without housing).

Table 16: Estimated Number of Households Living in Unsuitable Housing

	Derby Fringe	Swadlincote and South	North West	South Derbyshire
Homeless/concealed households	126	181	51	358
Households in overcrowded housing	152	458	91	701
Existing affordable housing tenants in need	14	64	9	87
Households from other tenures in need	245	478	163	886
Total	536	1,181	314	2,032

Source: CLG Live Tables, Census 2011 and Data Modelling

- 5.47 In taking this estimate forward, the data modelling next estimates housing unsuitability by tenure. From the overall number in unsuitable housing, households living in affordable housing are excluded (as these households would release a dwelling on moving and so no net need for affordable housing will arise).
- 5.48 The analysis also excludes 90% of owner-occupiers under the assumption (which is supported by analysis of survey data) that the vast majority will be able to afford housing once savings and equity are taken into account.
- 5.49 A final adjustment is to slightly reduce the unsuitability figures in the private rented sector to take account of student-only households – such households could technically be overcrowded/living in unsuitable housing but would be unlikely to be allocated affordable housing (student needs are essentially assumed to be transient) – this only reduces the estimated need by 1 household in total. Once these households are removed from the analysis, the remainder are taken forward for affordability testing.
- 5.50 The table overleaf shows it is estimated that around 1,100 households were living in unsuitable housing (excluding current social tenants and the majority of owner-occupiers).

Table 17: Unsuitable Housing by Tenure and Number to Take Forward into Affordability Modelling – South Derbyshire

	In Unsuitable Housing	Number to Take Forward for Affordability Testing
Owner-occupied	683	68
Affordable housing	288	0
Private rented	702	701
No housing (homeless/concealed)	358	358
Total	2,032	1,127

Source: CLG Live Tables, Census 2011 and Data Modelling

- 5.51 Having established this figure, it needs to be considered that a number of these households might be able to afford market housing without the need for subsidy. To consider this, the income data has been used, with the distribution adjusted to reflect a lower average income amongst households living in unsuitable housing – for the purposes of the modelling an income distribution that reduces the average household income to 88% of the figure for all households has been used to identify the proportion of households whose needs could not be met within the market (for households currently living in housing). A lower figure of 42% has been used to apply an affordability test for the concealed/homeless households who do not currently occupy housing.
- 5.52 These two percentage figures have been based on a consideration of typical income levels of households who are in unsuitable housing (based mainly on estimates in the private rented sector) along with typical income levels of households accessing social rented housing (for those without accommodation). The figures have been based on analysis of the English Housing Survey (mainly looking at relative incomes of households in each of the private and social rented sectors) as well as consideration of similar information collected through household surveys (across the country) by Justin Gardner Consulting. These modelling assumptions are considered reasonable and have not been challenged through the Local Plan process in other locations (where the same assumptions have been used).
- 5.53 Overall, around half of households with a current need are estimated to be likely to have insufficient income to afford private rented housing and so the estimate of the total current need is from 537 households in the study area. The table overleaf also shows how this is estimated to vary by sub-area.

Table 18: Estimated Current Affordable Housing Need

	In unsuitable housing (taken forward for affordability test)	% Unable to Afford Market Housing (without subsidy)	Revised Gross Need (including Affordability)
Derby Fringe	329	52.2%	172
Swadlincote and South	619	47.4%	293
North West	179	39.9%	72
South Derbyshire	1,127	47.6%	537

Source: CLG Live Tables, Census 2011 and Data Modelling

Newly-Forming Households

- 5.54 The number of newly-forming households has been estimated through demographic modelling with an affordability test also being applied. This has been undertaken by considering the changes in households in specific 5-year age bands relative to numbers in the age band below, 5 years previously, to provide an estimate of gross household formation. Estimates of the volume of newly forming households has been based on a projection linking to the residual amount of housing to be provided by the Local Plan in the period from 2019 to 2028.
- 5.55 The numbers of newly-forming households are limited to households forming who are aged under 45 – this is consistent with CLG guidance (from 2007) which notes after age 45 that headship (household formation) rates ‘plateau’. There may be a small number of household formations beyond age 45 (e.g. due to relationship breakdown) although the number is expected to be fairly small when compared with the formation of younger households.
- 5.56 In looking at the likely affordability of newly-forming households, data has been drawn from previous surveys. This establishes that the average income of newly-forming households is around 84% of the figure for all households. This figure is remarkably consistent across areas (and is also consistent with the analysis of English Housing Survey data at a national level).
- 5.57 The analysis has therefore adjusted the overall household income data to reflect the lower average income for newly-forming households. The adjustments have been made by changing the distribution of income by bands such that the average income level is 84% of the all household average. In doing this it is possible to calculate the proportion of households unable to afford market housing without any form of subsidy (such as LHA/HB). The assessment suggests that overall around two-fifths of newly-forming households will be unable to afford market housing (to rent) and that a total of 396 new households will have a need on average in each year to 2028.

Table 19: Estimated Level of Affordable Housing Need from Newly Forming Households (per annum)

	No. of new households	% unable to afford	Total in need
Derby Fringe	262	40.7%	106
Swadlincote and South	575	39.1%	225
North West	202	32.0%	65
South Derbyshire	1,039	38.1%	396

Source: Projection Modelling/affordability analysis

Existing Households falling into Affordable Housing Need

- 5.58 The second element of newly arising need is existing households falling into need. To assess this, information from CoRe has been used. This looked at households who have been housed over the past three years – this group will represent the flow of households onto the Housing Register over this period.
- 5.59 From this newly forming households (e.g. those currently living with family) have been discounted as well as households who have transferred from another social/affordable rented property. An affordability test has also been applied.
- 5.60 The numbers over this period or indeed in future could be influenced by changes to government policy or if there is a substantial increase in unemployment resulting from the closure of a major employer.
- 5.61 This method for assessing existing households falling into need is consistent with the 2007 SHMA guide which says on page 46 that *'Partnerships should estimate the number of existing households falling into need each year by looking at recent trends. This should include households who have entered the housing register and been housed within the year as well as households housed outside of the register (such as priority homeless household applicants)'*.
- 5.62 Following the analysis through suggests a need arising from 133 existing households each year from 2019 to 2028.

Table 20: Estimated Level of Affordable Housing Need from Existing Households falling into need (per annum)

	Total additional need	% of total
Derby Fringe	21	16.0%
Swadlincote and South	99	74.6%
North West	13	9.4%
South Derbyshire	133	100.0%

Source: CoRe/affordability analysis

Supply of Affordable Housing

- 5.63 The future supply of affordable housing is the flow of affordable housing arising from the existing stock that is available to meet future need. This focuses on the annual supply of social/affordable rent relets.
- 5.64 The Practice Guidance suggests that the estimate of likely future relets from the social housing stock should be based on past trend data which can be taken as a prediction for the future. Information from the CoRe system has been used to establish past patterns of social housing turnover, along with data from Local Authority Housing Statistics about past lettings within social housing stock. The figures include general needs and supported lettings but exclude lettings of new properties and also exclude an estimate of the number of transfers from other social housing. These exclusions are made to ensure that the figures presented reflect relets from the existing stock.
- 5.65 Based on past trend data it has been estimated that 263 units of social/affordable rented housing are likely to become available each year moving forward.
- 5.66 The table below shows the estimated supply of affordable housing from relets in each sub-area. The sub-area figures have been based on the size of the stock in each sub-area as of 2011 (Census data) and information from the Council about past lettings – the analysis shows that about three-quarters of all relets are expected to arise in Swadlincote and South.

Table 21: Estimated supply of affordable housing from relets of existing stock by sub-area (per annum)

	Annual supply	% of supply
Derby Fringe	41	15.5%
Swadlincote and South	194	74.0%
North West	28	10.5%
South Derbyshire	263	100.0%

Source: CoRe/LAHS/Census (2011)

- 5.67 The PPG model also includes the bringing back of vacant homes into use and the pipeline of affordable housing as part of the supply calculation. These have however not been included within the modelling in this report. Firstly, there is no evidence of any substantial stock of vacant homes (over and above a level that might be expected to allow movement in the stock). Secondly, with the pipeline supply, it is not considered appropriate to include this as to net off new housing would be to fail to show the full extent of the need, although in monitoring it will be important to net off these dwellings as they are completed.

Net Affordable Housing Need for Rent

- 5.68 The table below shows the overall calculation of affordable housing need for rent. This excludes supply arising from sites with planning permission (the 'development pipeline') to allow for a comparison with the net housing need set out in the report.
- 5.69 The analysis has been based on meeting affordable housing need for rent over the period from 2019 to 2028. Whilst most of the data in the model are annual figures the current need has been divided by 9 to make an equivalent annual figure. The net need is calculated as follows:

$$\text{Net Need} = \text{Current Need} + \text{Need from Newly-Forming Households} + \text{Existing Households falling into Need} - \text{Re-let Supply of Affordable Housing for Rent}$$

- 5.70 The analysis below, calculates an overall net need of 325 social and affordable rented housing in South Derbyshire District. This includes a rounded net need of around 106 units in the Derby Fringe sub-area, 162 units in the Swadlincote and South sub-area and 57 in the North West sub-area.
- 5.71 This figure gives a PPG compliant calculation of affordable housing need to rent; however, it should be noted that this is not an affordable housing target. The amount of affordable housing will be limited to the amount that can viably be provided.

Table 22: Estimated Annual Level of Social and Affordable Rented Housing Need (per annum) (2019-2028)

	Derby Fringe	Swadlincote and South	North West	South Derbyshire
Current need	19	33	8	60
Newly forming households	106	225	65	396
Existing households falling into need	21	99	13	133
Total Gross Need	147	356	85	588
Re-let Supply	41	194	28	263
Net Need	106	162	58	325

Source: Census (2011)/CoRe/Projection Modelling and affordability analysis (numbers may not sum due to rounding)

- 5.72 The total affordable housing need to rent is relatively high compared to the residual requirement. However, it should be noted that much of the need arising is from newly forming households. If the planned housing delivery was lower, i.e. aligned to the standard method, then the overall affordable housing need would fall. This demonstrates that the Council, by maintaining the residual Local Plan requirement which includes the unmet need from Derby, are also taking some of the city's affordable housing need.

- 5.73 The current affordable housing need of 540 households (annualised to 60 per annum across the 9 remaining years in the table above) compares to the Council's current housing waiting list of 644. However, these are not the same thing as the waiting list will have some criteria which restricts entry and conversely may include households not residing in the District but seeking affordable housing to rent there. There will also be households in need of affordable housing to rent who have chosen not to go on the waiting list, for example, those who spend more than 27-29% of income on private sector housing.
- 5.74 The scale of rented affordable housing need would justify the Council continuing to seek to secure up to 30% of new housing development as affordable housing as defined in the NPPF on sites of over 15 dwellings.
- 5.75 As well as this overarching policy, it will be for the Local Authority to determine affordable housing on a site by site basis. This should be informed by up to date information on need in combination with the sustainability and viability of the proposed site.
- 5.76 The scale of the affordable housing need to rent (325 per annum) equates to around 39% of the overall housing requirement set out in the Local Plan. Thus, even delivering the current policy target of 30% of housing being affordable, this would still result in a shortfall. That said there is no requirement for the affordable housing need to be met in full. It may, however, justify the Council doing one or more of the following:
- Consider increasing overall housing delivery to deliver more affordable homes
 - Under the Local Plan review, consider increasing affordable housing contributions above 30% where it is viable to do so
 - Under the Local Plan review, consider seeking affordable housing contributions from a smaller site threshold (currently this is set at over 15 dwellings) where this is viable to do so.
- 5.77 Such consideration will be in part be informed by a local viability assessment which is beyond the scope of this work.

What Types of Affordable (rented) Housing?

- 5.78 The analysis above has studied the overall need for social and affordable rented housing with a focus on households who cannot afford to rent in the market. These households will, therefore, need some form of rented housing at a cost below lower quartile market rates. Typically, there are two types of rented affordable accommodation (social and affordable rented) with the analysis below initially considering what a reasonable split might be between these two tenures. The analysis then moves on to consider the concept of 'Living Rents' which uses a methodology developed by the Joseph Rowntree Foundation (JRF) to link rents to local incomes.

- 5.79 Initially, in terms of social and affordable rents, an analysis has been undertaken to compare the income distribution of households with the cost of different products. For affordable rented housing, it has been assumed that this would be available at a cost which is 80% of the established lower quartile costs set out earlier in this section. Any household able to afford a rent between 80% of the market and the market is assumed able to afford an affordable rent, with other households only able to afford social rent.
- 5.80 The analysis identifies that between 29% and 44% of the group of households unable to afford market housing to rent fall in the gap between the market rent and affordable rent (based on 80% of the market) depending on location (and 33% for the whole District).
- 5.81 It is therefore suggested that a target of 33% (i.e. a third) of all rented affordable housing as affordable rents would be reasonable (and therefore two-thirds of rents to be social rents). There were some differences in the areas with the income profile of Swadlincote & South suggesting a potentially higher need for social rented housing than in the other two areas.

Table 23: Estimated Need for Affordable Rented Housing – figures as % of those unable to afford to rent privately

	% Need for affordable rented (80% of market)
Derby Fringe	36%
Swadlincote and South	29%
North West	44%
South Derbyshire	33%

Source: Affordability analysis

- 5.82 In terms of rent levels, an analysis below considers 'Living Rents'. This is a concept developed by JRF/Savills⁴ to suggest what rent levels might be appropriate given local incomes. The methodology differs from the rent setting for social rents which also takes account of the value of the property and the analysis below should not be seen as providing an alternative tenure to social rents. In many cases, the calculation of Living Rents shows similar figures to social rents and the findings can be used to consider the general levels of rents that might be affordable to local lower-wage households. The analysis uses the following methodology:
- Annual Survey of Hours and Earnings (ASHE) lower quartile earnings.
 - Adjustment for property size by recognised equivalence model.
 - Starting rent set at 28% of net earnings; and
 - Rent set at no higher than Local Housing Allowance (LHA) limits where calculations show a higher figure

4

<http://pdf.savills.com/documents/Living%20Rents%20Final%20Report%20June%202015%20-%20with%20links%20-%2019%2006%202015.pdf>

- 5.83 Across the whole of the study area, the analysis shows rents starting at about £360 for a 1-bedroom home, rising to £570 for homes with 3-bedrooms. In some cases (notably larger homes), the suggested Living Rents are higher than the relevant LHA (see the second table below). As a general rule, it is not considered sensible to be charging a rent above LHA, as this would mean many households having to top up their rent from other income sources. Which is why the Council at present do not allow affordable rental products above the LHA rates on affordability grounds.
- 5.84 In setting rents, the local authority could, therefore, consider that the 'affordable level' is in the range from a Living Rent up to the maximum LHA level. The cost of social renting should also be a consideration (given the analysis above) – particularly where social rents are lower than both the Living Rent and the maximum LHA.

Table 24: Living Rents (per month) (2018 base)

	1-bedroom	2-bedroom	3-bedrooms
Derby Fringe	£367	£477	£587
Swadlincote and South	£340	£442	£544
North West	£391	£508	£625
South Derbyshire	£357	£464	£571

Source: ASHE and Living Rents methodology

- 5.85 The table below shows LHA limits in the three BRMAs covering the study area. As noted, there is a case for ensuring that rents are capped at the maximum amount of benefit able to be claimed. The issue of LHA limits should be a key consideration when setting rent levels for any new developments.

Table 25: Maximum Local Housing Allowance (Housing Benefit) by Location and Property Size

	1-bedroom	2-bedroom	3-bedrooms
Derby LHA	£367	£449	£510
Eastern Staffordshire LHA	£364	£449	£536
Leicester LHA	£374	£474	£565

Source: Valuation Office Agency

Widened Definition of Affordable Housing

- 5.86 As set out above, the previously established method to look at the need for affordable housing to rent, estimated that there is a need for around 325 homes per annum in South Derbyshire. This identified need is for subsidised housing at a cost below that to access the private rented sector (i.e. for households unable to access any form of market housing without some form of subsidy). It would be expected that this housing would be delivered primarily as social/affordable rented housing.

- 5.87 The NPPF definition of Affordable Housing in Annex 2 has been established in this report. The definition has introduced a new category of household in affordable housing need and widens the definition of affordable housing (as found in the NPPF (2018 and 2019) – Annex 2). It is considered that households falling into the definition would be suitable for starter homes, discounted market sales housing or other affordable home ownership options (such as shared ownership).
- 5.88 This section considers the level of need for these types of dwellings in South Derbyshire. The NPPF (2019) states “where major development involving the provision of housing is proposed (above 10), planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.” (NPPF (2019), paragraph 64).

Establishing a Need for Affordable Home Ownership

- 5.89 The PPG of February 2019 confirms a widening definition of those to be considered as in affordable need; now including *‘households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration’*. However, there is no further guidance about how the number of such households should be measured.
- 5.90 The methodology used in this report draws on the residual Local Plan housing requirement and includes an assessment of current needs and projected need (including housing need for newly forming and existing households). The key difference is that in looking at affordability, an estimate of the number of households in the ‘gap’ between buying and renting is used. There is also the issue of establishing an estimate of the supply of affordable home ownership homes – this is considered separately below.
- 5.91 To study current need, an estimate of the number of households living in the private rented sector (PRS) has been established, along with the same (rent/buy gap) affordability test described above. The starting point is the number of households living in the PRS. As of 2011 Census, there were 5,568 (14%) households living in the PRS. No newer local data is available since this time.
- 5.92 Data from the Survey of English Housing (EHS) suggests that since 2011, the number of households in the PRS has increased by around 26%. Applying the same proportion to South Derbyshire would be around 7,016.
- 5.93 The first part of the analysis seeks to understand what the gap between renting and buying means in South Derbyshire – establishing the typical incomes that might be required by sub-area.

- 5.94 By looking at the relative costs of housing to buy and rent in South Derbyshire and the three sub-areas, there will be households in South Derbyshire who can currently afford to rent yet are unable to buy or raise a deposit.
- 5.95 The finding that a reasonable proportion (51%) of households in the PRS are likely to have an income that would allow them to buy a home is noteworthy. This proportion is very high and reflects that the issue is more about barriers to buying a home rather than the cost of housing (which is affordable in some locations, such as Swadlincote).
- 5.96 For many households, barriers to accessing owner-occupation are influenced by a combination of income and the cost of housing and external factors including the lack of a deposit or difficulties obtaining a mortgage.
- 5.97 Of the remaining households in the PRS, 36% have insufficient income to afford market housing without subsidy or without spending a high proportion of income on housing. The remaining 13% of households fall in the gap between renting and buying.

Income Threshold to Buy and Rent

- 5.98 The following analysis identifies the income threshold required to buy and rent in South Derbyshire and the sub-areas. In the year to March 2019, the lower quartile private rent shown by the Valuation Office Agency (VOA) for South Derbyshire was £525. At March 2019, there were around 700 properties on the rental market at the local authority level. In the sub-areas, the lower quartile rental value was £565 for the North West, £470 for Swadlincote and South sub-area and £640 for Derby Fringe.
- 5.99 Assuming a household spends no more than 27-29% of income on rent, the table below reports overall income thresholds to rent by sub-area. Swadlincote and South sub-area has the lowest rental price at £470 for all properties and given this, the household income threshold is the lowest at £21,200.

Table 26: Income Threshold to Buy and Rent by Sub-area

	To Rent	To Buy
Derby Fringe	£25,700	£40,000
Swadlincote & South	£21,200	£25,400
North West	£23,800	£33,600
South Derbyshire	£22,700	£30,200

Source: GLH modelling

- 5.100 The Land Registry data (for the year to March 2019⁵) records the lower quartile cost to buy a house at £200,000 in the Derby Fringe sub-area, £127,000 in Swadlincote and South sub-area and £168,000 in the North West sub-area. The overall lower quartile cost of buying a house in South

⁵ Note this is a different time period from the analysis in the market signals chapter.

Derbyshire is £151,000. Assuming a 10% deposit at 4.5 times mortgage multiple, purchasing a property in South Derbyshire (at the lower quartile price of £151,000) would equate to an income requirement approaching £30,200.

- 5.101 Therefore, based on this analysis, it is reasonable to suggest that affordable home ownership products would be pitched at households with an income between £21,200 (able to afford to privately rent) and £40,000 (to buy) although this varies within sub-areas.
- 5.102 Additional data from the EHS suggests that 60% of all PRS households expect to become an owner at some point (3,341 households if applied to South Derbyshire) and of these, some 25% (1,392 households) would expect this to happen in the next 2-years.

Potential Supply of Housing to Meet the Affordable Home Ownership Need

- 5.103 As with assessing the need for affordable home ownership, it is the case that at present the PPG does not include any suggestions about how the supply of housing to meet these needs should be calculated. The analysis below, therefore, provides a general discussion.
- 5.104 As previously noted, the lower quartile cost of purchasing in South Derbyshire is £151,000. It is £200,000 in the Derby Fringe sub-area, £127,000 in Swadlincote and South and £168,000 in the North West sub-area. It is assumed that half of the homes sold will be priced at or below these levels in each sub-area.
- 5.105 To clarify, the supply range maximum is based on the number of homes sold at below the lower quartile price and the supply range minimum is based on the number of homes sold at a price affordable to those just able to afford to rent privately.

Net Affordable Home Ownership Need

- 5.106 Once the supply position is taken into account, the net annual need for low-cost home ownership is - 22 for South Derbyshire. This local authority area figure is driven by the high supply of lower quartile houses in the Swadlincote and South sub-area.
- 5.107 As shown in the table overleaf, the net annual need is 25 in Derby Fringe and 2 in the North West and Swadlincote and South would have a surplus of 49. There is no great evidence of need in Swadlincote and South sub-area due to this area having quite low prices.

Table 27: Estimated Net Need for Affordable Home Ownership

	Derby Fringe	Swadlincote and South	North West	South Derbyshire
Current need	7	5	3	15
Newly forming households	56	48	32	135
Existing households falling into need	20	16	10	45
Total Gross Need	82	69	45	196
Supply (50% LQ supply)	57	118	42	218
Net need	25	-49	2	-22

Source: Census (2011)/CoRe/Projection Modelling and affordability analysis

- 5.108 It is worth noting that there may be barriers to home ownership which are not simply related to the price of purchasing property, such as access to deposits and mortgages.
- 5.109 These figures should be used to demonstrate the scale of potential supply for households in the rent/buy gap and it should be noted that this stock is not necessarily available to those households in need (i.e. market housing is not allocated and so theoretically all the sales could go to households who could afford a more expensive home).
- 5.110 There may also be issues with the quality of the stock at the very bottom end of the market. That said, there is a reasonable level of stock that is potentially affordable to those households falling into the Government's revised definition of affordable housing need.

Implications of the Analysis

- 5.111 Given the analysis above, it would be reasonable to conclude that there is a limited potential need to provide 'affordable home ownership' products. Whilst there are some households in the gap between renting and buying, there is also a potential supply of homes within the existing stock that can contribute to this need.
- 5.112 The analysis would, therefore, suggest that there is not a requirement for the Local Authority to seek any more than the Government recommended 10% delivery in the form of affordable home ownership properties.
- 5.113 Indeed, the analysis would suggest that the Council could challenge this target. This could be justified based on the identified surplus and the potential for it to jeopardise the ability to meet the affordable housing need of specific groups, including those in more acute affordable housing need.

- 5.114 The NPPF clearly states that the 10% affordable home ownership policy should apply unless it would prejudice the identified affordable housing need of specific groups. Specifically, paragraph 64 of the NPPF states:

"Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups"

- 5.115 The NPPF does not make any other mention of who these specific groups are, however, the PPG does refer to "different groups". These different groups include those in the private rental sector; those seeking to self and custom-build, students and perhaps crucially those in affordable housing need.
- 5.116 A case could therefore be made that by delivering 10% of all new homes as low cost home ownership properties it would prejudice the ability to meet the need of those in affordable housing need specifically rental affordable homes.
- 5.117 However, it may still have a role to play as it does seem that many households in South Derbyshire are being excluded from the owner-occupied sector. This can be seen by analysis of tenure change, which saw the number of households living in private rented accommodation in South Derbyshire increasing by 137% between 2001 and 2011 (with the likelihood that there have been further increases since). Over the same period, the number of owner households with a mortgage increased by just 3% (dropping from 47% of all households to just 41%).
- 5.118 There is also an identified need at a sub-area level. In particular the Derby Fringe Sub-area had a net need. Any delivery should therefore be focussed on this area and to a lesser extent the North West sub-area.
- 5.119 As part of a package of low-cost home ownership products, the Council should focus on shared ownership in light of reduced deposits and the subsidised rent provided. Such a scheme could provide an opportunity for people to eventually achieve 100% equity in their home.
- 5.120 Additionally, the Council could focus on those offering a straight discount on the open market value (OMV) of the affordable home. The Council could also seek a percentage of low-cost home ownership housing to be made available with some initial upfront capital payment (such as a deposit contribution).

- 5.121 Such a payment could cover the deposit and other initial costs and would potentially need to be protected in some way so that the money is not lost if a household chooses to sell their property (i.e. to ensure that any subsidy is held in perpetuity).
- 5.122 Schemes such as Help-to-Buy could form part of such a package. This would still be targeted at the same group of households (likely to mainly be those currently privately renting but who would like to buy). A property sold just with Help-to-Buy assistance would not however be considered as affordable housing (unless there is also some form of discount to OMV).
- 5.123 If the Council does seek to provide 10% of housing as affordable home ownership, then it is likely that shared ownership is the most appropriate option. This is due to the lower deposit requirements and lower overall costs (given that the rent would also be subsidised).
- 5.124 In promoting shared ownership, the Council should consider the equity share and the overall cost once the rent and any service charges are included – this will be necessary to ensure that such homes are meeting the target group of households (i.e. those with an income in the gap between renting and buying).
- 5.125 It may be that equity shares as low as 25% would be needed to make shared ownership affordable (although this does have the additional advantage of a lower deposit), given that such homes would need to use OMV as a start point. This is something that should be monitored on a case by case basis and could vary by location and property type/size.
- 5.126 Overall , the evidence suggests there is no basis to increase the provision of affordable home ownership above the 10% figure currently suggested in the NPPF (and arguably evidence to go below the 10%) but that the Council should be seeking to provide additional social/affordable rented housing. Such housing is cheaper than that available in the open market and can be accessed by many more households (some of whom may be supported by benefit payments).

How Much Should Affordable Home Ownership Homes Cost?

- 5.127 The evidence in this report suggests that there are several households likely to fall under the new PPG definition of affordable housing need (i.e. in the gap between renting and buying) but that the potential supply of housing to buy makes it difficult to fully quantify this need. However, given paragraph 64 of the NPPF, it is possible that the Council will still need to seek 10% of additional homes on larger sites (10 or more dwellings) as some form of affordable home ownership.
- 5.128 Forms of housing such as shared ownership and discounted market sale are considered to be appropriate forms of affordable home ownership. Another option is providing support for deposits. It

will be important for the Council to ensure that such homes are sold at a price that is genuinely affordable for the intended target group.

- 5.129 On this basis, it is worth discussing what sort of costs affordable home ownership properties should be sold for. The Annex 2 (NPPF) definitions suggest that such housing should be made available at a discount of at least 20% from OMV.
- 5.130 The problem with having a percentage discount is that it is possible in some locations or types of property that such a discount still means that housing is more expensive than that typically available in the open market.
- 5.131 The preferred approach in this report is to set out a series of affordable purchase costs for different sizes of accommodation. The analysis forms cost recommendations for renting affordable housing, affordable home ownership and shared ownership.
- 5.132 These are based on equalising the private rent figures into a house price so that the sale price will meet the needs of all households in the gap between buying and renting. Setting higher prices would mean that such housing would not be available to many households for whom the Government is seeking to provide an 'affordable' option.

Affordable Home Ownership

- 5.133 The table overleaf sets out suggested purchase prices for affordable home ownership in South Derbyshire and the sub-areas. As noted, the figures are based on trying to roughly equate a sale price with an equivalent access point to the private rental market. It is suggested that prices are not set at any more than the mid-point of the range.
- 5.134 The limited supply of smaller homes restricts the data for lower limit values. The modelling suggests an upper limit of a 1-bedroom at an 'affordable' price of £72,000 for South Derbyshire. The value is slightly higher for the North West (£78,000) sub-area and greatest for the Derby Fringe (£87,000).
- 5.135 The lower limit cost of a 3-bedroom home in South Derbyshire is £130,000 and an upper limit of £136,000. This increases to a lower limit cost of £184,000 for a 4-bedroom and an upper limit cost of £234,000. These figures can be monitored and updated every six months by reference to VOA data.

Table 28: Affordable Home Ownership Prices (2018 base)

		1-bedroom	2-bedroom	3-bedroom	4+ bedroom
Derby Fringe	Lower limit	-	£110,000	£133,000	£193,000
	Upper limit	£87,000	£123,000	£164,000	£281,000
Swadlincote and South	Lower limit	-	-	-	£175,000
	Upper limit	£62,000	£88,000	£117,000	£201,000
North West	Lower limit	-	£109,000	£132,000	£188,000
	Upper limit	£78,000	£110,000	£147,000	£253,000
South Derbyshire	Lower limit	-	-	£130,000	£184,000
	Upper limit	£72,000	£102,000	£136,000	£234,000

Source: derived from VOA data and Land Registry data

- 5.136 If the Council do seek for some additional housing to be in the affordable home ownership sector, it is additionally recommended that they set up a register of people interested in these products (in a similar way to the current Housing Register). This will enable any properties to be 'allocated' to households whose circumstances best meet the property on offer.

Shared Ownership

- 5.137 The analysis below seeks to calculate the maximum equity share for housing to be affordable (i.e. to achieve a level of outgoings the same as accessing the bottom end of the private rented sector). The assumptions include:
- OMV at lower quartile price plus 20% (this reflects the likelihood that newbuild homes will have a premium attached and that they may be priced slightly above the lower quartile level).
 - 10% deposit
 - Rent at 2.7% per annum on unsold equity
 - Repayment mortgage over 25-years at 4%
 - Service charge of £100 per month for flatted development (assumed to be 1 and 2-bedroom homes).
- 5.138 The table overleaf presents the estimated affordable equity share by the size of dwelling for South Derbyshire as there are limitations to breaking this down at a sub-area level. There will likely be price variance across areas in South Derbyshire, with the Derby Fringe sub-area potentially requiring lower equity shares to make homes more affordable.
- 5.139 The analysis shows that where shared ownership is achieved, to make it affordable there an equity share of between 30-60% is required with the lower end for 4+ bedrooms, of which there is likely to be few and far between.

Table 29: Estimated Affordable Equity Share by Size of Dwelling in South Derbyshire

	1-bedroom	2-bedroom	3-bedroom	4+ bedroom
OMV	£86,400	£122,400	£163,200	£280,800
Share	60%	40%	56%	30%
Equity bought	£51,581	£48,470	£91,718	£83,959
Mortgage needed	£46,423	£43,623	£82,547	£75,563
Monthly cost of mortgage	£245	£230	£436	£399
Retained equity	£34,819	£73,930	£71,482	£196,841
Monthly rent on retained equity	£80	£169	£164	£451
Service charge	£100	£100	£0	£0
Total cost	£425	£500	£600	£850

Source: GLH modelling

Affordable Housing Need: Key Messages

- Analysis has been undertaken to estimate the need for affordable housing in the period to 2028. The analysis is split between a 'traditional' need for social and affordable rented homes and the 'additional' category of need introduced by the revised NPPF/PPG (which includes housing for those who can afford to rent privately but cannot afford to buy a home and aspire to do so.).
- The analysis has taken account of local housing costs (to both buy and rent) along with estimates of household income. Additionally, consideration is given to household projections and estimates of the supply of social and affordable rented housing.
- The Local Plan housing requirement would result in a rounded net need of 325 units of social and affordable rented homes per annum over the period to 2028. For the sub-areas, the rounded net need per annum is 106 for Derby Fringe, 162 for Swadlincote and South and 58 for the North West.
- This would suggest the Council should seek to continue to deliver at least 30% affordable housing on-site with over 15 dwellings.
- The analysis has identified a surplus of 22 of affordable homes to buy in South Derbyshire. All sub-areas identified low levels of net need for affordable home ownership. This would suggest that there is not a local demand for the government's 10% target for this type of housing.
- If the Council does seek to provide 10% of all housing on-site as affordable home ownership, then it is suggested that shared ownership is the most appropriate option.
- Where other forms of affordable home ownership are provided (e.g. discounted market sales housing) it is recommended that the Council considers setting prices at a level which (in income terms) are equivalent to the levels needed to access private rented housing. These are set out below.

	1-bedroom	2-bedroom	3-bedroom	4+bedroom
Lower limit	-	-	£130,000	£184,000
Upper limit	£72,000	£102,000	£136,000	£234,000

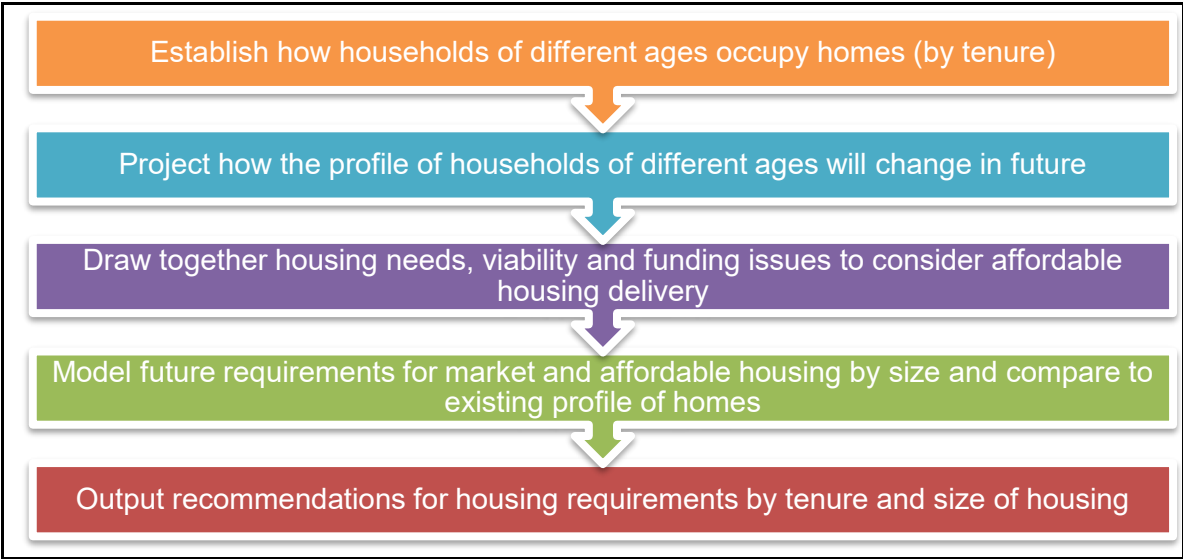
- This would ensure that households targeted by the new definition could potentially afford to purchase - this might mean greater than 20% discounts from OMV for some types and/or sizes of properties in some sub-areas.
- Based on the above, the recommended mix for affordable housing would be 10% affordable home ownership and 20% social and affordable rent based on an overall supply of 30%. It is suggested that a target of 33% (i.e. a third) of all rented affordable housing as affordable rented would be reasonable (and therefore two-thirds social rented). This would also work at a sub-area level.
- Living rents indicate the level a social rent might be pitched at on a monthly basis. For South Derbyshire, rents at £357 for 1-bedroom, £464 for 2-bedroom and £571 for 3-bedroom are suggested. These can indicate the maximum level for an affordable rented product, which should be pitched at the lower of 80% market rent or LHA limit. Living rents should also not exceed LHA limits.
- **It does, however, need to be stressed that this report does not provide an affordable housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided.**

6 HOUSING MIX

Introduction

- 6.1 There are a range of factors which influence housing demand. These factors play out at different spatial scales and influence both the level of housing demand (in terms of aggregate household growth) and the nature of the demand for different types, tenures, and sizes of homes. It is important to understand that the housing market is influenced by macro-economic factors, as well as the housing market conditions at a regional and local level.
- 6.2 This section assesses the need for different sizes of homes in the future, modelling the implications of demographic drivers on need/demand for different sizes of homes in different tenures. The assessment is intended to provide an understanding of the implications of demographic dynamics on need and demand for different sizes of homes.
- 6.3 The analysis in this section seeks to use the information available about the size and structure of the population and household structures; and consider what impact this may have on the sizes of housing required in the future.
- 6.4 The figure below describes the broad methodology employed in the housing market model which is used to consider the need for different sizes of market and affordable homes. Data is drawn from a range of sources including the 2011 Census and demographic projections.

Figure 20: Stages in the Housing Market Model



- 6.5 It should be noted that the housing stock as of 2011 (by size) can have a notable impact on the outputs of the modelling. However, no newer data this detailed is available. The table overleaf shows

a comparison of the size profile of accommodation in a range of areas in three broad tenure groups. The profile of housing in South Derbyshire District is a broadly similar trend to that seen in the East Midlands.

- 6.6 The PRS has a significantly lower proportion of 1-bedroom dwellings (13%) compared to the national proportion (33%). Notably, the national proportion is attributed to the supply in London. The proportion of 2-bedroom (41%) and 3-bedroom (36%) in the South Derbyshire District PRS are slightly higher than both the East Midlands and England.
- 6.7 In the owner-occupier sector, the proportion of 1-bedroom and 2-bedroom dwellings in South Derbyshire is on par with the East Midlands trend, however lower than the national proportions. In the same sector, there is a high proportion (30%) of 4+ bedroom dwellings in South Derbyshire which is notably higher than the East Midlands (26%) and England (23%).

Table 30: Number of bedrooms by tenure and a range of areas

		South Derbyshire	East Midlands	England
Owner-occupied	1-bedroom	2%	2%	10%
	2-bedrooms	21%	22%	27%
	3-bedrooms	47%	51%	41%
	4+-bedrooms	30%	26%	23%
	Total	100%	100%	100%
Affordable housing to rent	1-bedroom	22%	29%	35%
	2-bedrooms	39%	34%	36%
	3-bedrooms	36%	34%	24%
	4+-bedrooms	3%	3%	5%
	Total	100%	100%	100%
Private rented	1-bedroom	13%	15%	33%
	2-bedrooms	41%	39%	37%
	3-bedrooms	36%	35%	20%
	4+-bedrooms	10%	11%	10%
	Total	100%	100%	100%

Source: Census 2011

- 6.8 South Derbyshire District has relatively few 1-bedroom dwellings (22%) in the social housing sector, yet a slightly higher proportion of 2-bedroom social housing dwellings (39%) compared to the East Midlands (29% and 34%) and England (35% and 36%). Furthermore, around 1,000 of these smaller homes are contained within age-restricted (over 50's) and/or sheltered accommodation.

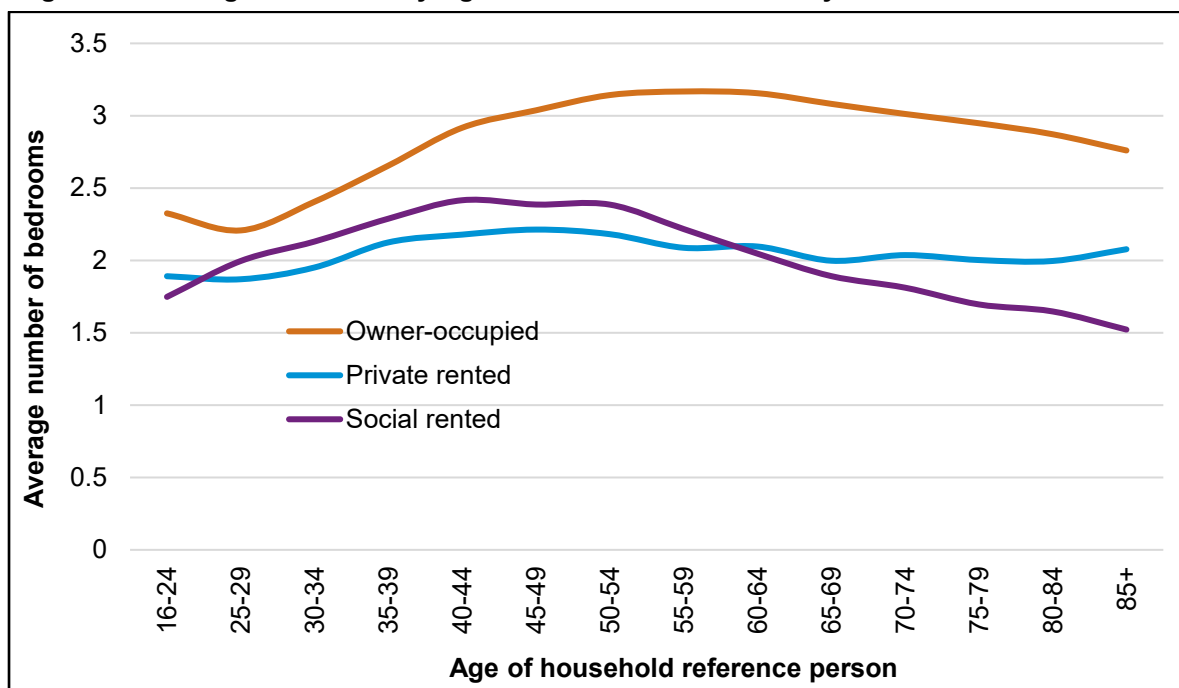
Understanding how Households Occupy Homes

- 6.9 Whilst the demographic projections provide a good indication of how the population and household structure will develop, it is not a simple task to convert the net increase in the number of households into a suggested profile for additional housing to be provided.

- 6.10 The main reason for this is that in the market sector, households can buy or rent any size of property (subject to what they can afford) and therefore knowledge of the profile of households in an area does not directly transfer into the sizes of property to be provided.
- 6.11 The size of housing which households occupy relates more to their wealth and age than the number of people which they contain. For example, there is no reason why a single person cannot buy (or choose to live in) a four-bedroom home if they can afford it and hence projecting an increase in single-person households does not automatically translate into a need for smaller units.
- 6.12 This issue is less relevant in the social housing sector (particularly since the introduction of the social sector size criteria) although there will still be some level of under-occupation moving forward regarding older persons and working households can under-occupy housing.
- 6.13 The Council's Housing Allocations Policy (2014) is currently under review in light of the supply and demand for social and affordable rented properties in the District, and the affordability and availability of owner-occupied and private rented accommodation. The review has considered the varying demand for different types and sizes of accommodation, and the designation of properties for certain age groups and household types. The Allocations Policy is aligned with the LHA criteria unless exceptional circumstances exist.

Methodology

- 6.14 The approach used is to interrogate information derived in the projections about the number of household reference persons (HRPs) in each age group and apply this to the profile of housing within these groups. The data for this analysis has been formed from a commissioned table by ONS (Table CT0621 which provides relevant data for all local authorities in England and Wales from the 2011 Census).
- 6.15 The figure below shows an estimate of how the average number of bedrooms varies by different ages of HRP and broad tenure group. In the owner-occupied sector, the average size of accommodation rises over time to typically reach a peak around the age of 55-59. After this peak, the average dwelling size decreases as some households downsize as they get older.
- 6.16 The social and private rented sectors see a different pattern, peaking in earlier ages at 40-44 for the social rented sector and 45-49 for the PRS. Notably, the average number of bedrooms in the private and social rented sectors are smaller compared to the owner-occupier sector.

Figure 21: Average Bedrooms by Age and Tenure in South Derbyshire

Source: Derived from ONS Commissioned Table CT0621

- 6.17 These outputs have been segmented into three broad categories including the market housing tenures of owner-occupier and the private rented sector and affordable (rented) housing.
- 6.18 Market housing follows the occupancy profiles in the owner-occupied sector, affordable home ownership is taken to follow the occupancy profile in the PRS (this is seen as reasonable as the Government's desired growth in home ownership looks to be largely driven by a wish to see households move out of private renting) and affordable (rented) housing is taken to follow the occupancy profile in the social rented sector. The affordable sector in the analysis to follow includes affordable rented housing.
- 6.19 These are applied to the following projected change in age groups, with most of the absolute growth in households headed by someone in the older age groups (aged 65 and over). Although those in the younger age categories are expected to see the stronger percentage growth. The tables below present the projected change in households by age of household reference person under each scenario.
- 6.20 Under the residual Local Plan housing need, households are forecast to increase by approximately 16.7% over the period, noting that the overall level of housing need includes an allowance for vacant properties.

- 6.21 The greatest proportional growth is forecast to occur in the 60-64 age group where growth in this household will increase by 1,551 (approximately 43%). The older age group (over 75) growth is forecast to experience significant growth to 2028 which is a result of both natural ageing of the local population and migration.
- 6.22 The working-age groups are expected to experience growth, particularly the 35-39 and 40-44 (both 21%) age groups, however, 45-49 age group is projected to stagnate at -0.1% and 50-54 age group is expected to see a significant decline.

Table 31: Projected change in households by age of household reference person

	Households 2019	Households 2028	Change in households	% change
16-24	1,067	1,162	95	8.9%
25-29	2,582	2,717	136	5.3%
30-34	3,164	3,762	598	18.9%
35-39	3,617	4,381	763	21.1%
40-44	3,628	4,392	765	21.1%
45-49	4,417	4,415	-2	-0.1%
50-54	4,873	4,155	-719	-14.8%
55-59	4,283	4,950	667	15.6%
60-64	3,605	5,156	1,551	43.0%
65-69	3,569	4,483	913	25.6%
70-74	3,611	3,741	130	3.6%
75-79	2,511	3,369	858	34.2%
80-84	1,810	2,954	1,145	63.2%
85 & over	1,534	2,049	515	33.6%
Total	44,272	51,686	7,415	16.7%

Source: Demographic projections

- 6.23 The analysis below also looks at projected changes to households by household type under the residual Local Plan housing need. The analysis is based on the household representative rates (HRR) in the 2014-based household projections (with or without a part-return to trend HRR analysis). Stage 1 figures are the headline total figures in the projections. The projections also contain Stage 2 figures which disaggregate the growth by household types.
- 6.24 The analysis, therefore, looks at applying the Stage 2 figures to the projections developed. As Stage 1 and 2 projections are to some extent independent from each other, it will be noted that projected household growth does differ slightly (albeit by a modest amount).
- 6.25 We have examined growth in a range of household typologies with three categories for dependent children, depending on the number of children. The findings indicate the number of family households

(i.e. with one or more dependent children) increasing by over 2,300. Unfortunately, the MCHLG projections no longer look at projecting lone parent households separately from couples.

- 6.26 The table below shows the change in households under the residual Local Plan housing requirement. The data shows relatively strong growth across all households, except for couples (aged under 65) which is forecast to experience slow growth at 0.9%. Yet, couples (aged 65 years and over) are forecast to increase the greatest extent, increasing by approximately 36%. This is linked to life expectancy improvements.

Table 32: Change in household types in South Derbyshire 2019-2028

	2019	2028	Change	% change
One-person household (aged 65 and over)	4,781	5,276	495	10.4%
One-person household (aged under 65)	6,922	8,492	1,570	22.7%
Couple (aged 65 and over)	6,593	8,973	2,380	36.1%
Couple (aged under 65)	7,385	7,452	67	0.9%
A couple and one or more other adults: No dependent children	3,346	3,521	175	5.2%
Households with one dependent child	6,231	7,532	1,302	20.9%
Households with two dependent children	5,041	5,738	697	13.8%
Households with three dependent children	1,873	2,196	323	17.2%
Other households	2,101	2,507	406	19.3%
Total	44,272	51,686	7,415	16.7%
Total households with dependent children	13,145	15,466	2,321	17.7%

Source: Demographic projections

- 6.27 The total number of households with dependent children are forecast to increase by approximately 18% over the period. Other households are forecast to increase by approximately 19% over the period. This will primarily be attributed to the growth of Housing of Multiple Occupation (HMOs), suggesting there will be growing demand in the market sector for a slightly smaller profile of housing.

Mix of housing

- 6.28 This is linked to the housing need identified under the residual Local Plan housing need. It should be noted that these projections will not necessarily be translated into policy but have been used to indicate the likely need for different sizes of homes moving forward.
- 6.29 It is necessary on this basis to make some judgement for modelling purposes on what proportion of net completions might be market and what might be affordable housing.
- 6.30 To confirm, the analysis has not assumed a mix of tenures and for **modelling purposes only**, it has been assumed that the following proportions of different tenures will be provided moving forward:

- 70% market
- 10% affordable home ownership
- 20% social/affordable rented

6.31 It should be stressed that these figures are not policy targets. Policy targets for affordable housing on new development schemes in some cases are above this, but not all sites deliver policy-compliant affordable housing provision, whilst some delivery is on sites below affordable housing policy thresholds.

6.32 There is a range of factors which can influence demand for market housing in different locations. The focus of this analysis is on considering long-term needs, where changing demographics are expected to be a key influence. It uses a demographic-driven approach to quantify demand for different sizes of properties over the residual 9-year period to 2028.

Key Findings and Recommended Mix

6.33 The table below provides the output of the modelling by the size of home by tenure in both the market and affordable sectors for the residual Local Plan housing need. The analysis shows the market is skewed towards larger houses (49% for 3-bedrooms).

6.34 The affordable housing (rented) sector is more heavily skewed towards smaller dwellings, particularly 2-bedrooms (40%), which is a similar trend for affordable home ownership. This reflects the change in older age group households and the need emerging from these groups ageing and not downsizing and no family-sized houses becoming available on the market.

Table 33: Mix of housing by size and tenure – Residual Local Plan Housing Need

	1-bedroom	2-bedrooms	3-bedrooms	4+ -bedrooms
Market	2%	27%	49%	23%
Affordable home ownership	12%	42%	37%	9%
Affordable housing (rented)	25%	40%	32%	2%

Source: Housing Market Model

6.35 Whilst the output of the modelling provides estimates of the proportion of homes of different sizes that are needed, there is a range of additional factors which should be considered in setting policies for provision.

6.36 For example, conclusions may need to consider that the stock of 4+ bedroom homes in the social housing sector is very limited and tends to have a very low turnover. As a result, whilst the number of households coming forward for 4+ bedroom homes is typically quite small, the ability for these needs to be met is even more limited. There are also localised issues about the stock of different sizes of homes which need to be considered in conclusions.

- 6.37 For these reasons, it is suggested in converting the long-term modelled outputs into a profile of housing to be provided in the social housing sector, and that the proportion of smaller homes required is reduced slightly from these outputs with a commensurate increase in 4+ bedroom homes also being appropriate.
- 6.38 There are a range of factors which are relevant in considering policies for the mix of affordable rented housing sought through development schemes. At a local authority level, the analysis from the residual Local Plan housing need would support policies for the mix of affordable housing to rent (social and affordable) is presented in the table below.

Table 34: Housing Mix: Affordable Housing to Rent

Bedrooms	Suggested Mix
1-bedroom	25-30%
2-bedroom	35-40%
3-bedroom	25-30%
4-bedroom	5-10%

- 6.39 The strategic conclusions recognise the role which delivery of larger family homes can play in releasing supply of smaller properties for other households; together with the limited flexibility which one-bed properties offer to changing household circumstances which feed through into higher turnover and management issues.
- 6.40 The need for affordable housing to rent of different sizes will vary by area (at a more localised level) and over time. In considering the mix of homes to be provided within specific development schemes, the information herein should be brought together with details of households currently on the Council's Housing Register in the local area and the stock and turnover of existing properties.
- 6.41 Analysis from the current housing register on the chosen area of preference shows that the majority (77%) of households on the housing register wish to live in the Swadlincote South sub-area of the District, with the Derby Fringe being the second preference with 15% of households selecting this area and the North West sub-area being third with 8% of households choosing this as their preferred area of preference.
- 6.42 In the affordable home ownership and market sectors, a profile of housing that more closely matches the outputs of the modelling is suggested, although some consideration of the current stock profile is also relevant.
- 6.43 Based on these factors, it is considered that the provision of affordable home ownership should be more explicitly focused on delivering smaller family housing for younger households. On this basis, the following mix of affordable home ownership is presented in the table overleaf.

Table 35: Housing Mix: Affordable Home Ownership

Bedrooms	Suggested Mix
1-bedroom	10-15%
2-bedroom	40-45%
3-bedroom	35-40%
4-bedroom	5-10%

- 6.44 Finally, in the private sector, a balance of dwellings is suggested that takes account of the demand for homes and the changing demographic profile. The findings show larger recommended proportions for larger houses compared with other tenure groups. The following mix of market housing is suggested in the table below.

Table 36: Housing Mix: Market Housing

Bedrooms	Suggested Mix
1-bedroom	0-5%
2-bedroom	20-25%
3-bedroom	50-55%
4-bedroom	20-25%

- 6.45 Although the analysis has quantified this based on market modelling and an understanding of the current housing market, it does not necessarily follow that such prescriptive figures should be included in the plan-making process.
- 6.46 The 'market' is to some degree a better judge of what is the most appropriate profile of homes to deliver at any point in time, and demand can change over time linked to macro-economic factors and local supply. The figures can, however, be used as a monitoring tool to ensure that future delivery is not unbalanced when compared with the likely requirements as driven by the demographic change in the area.

Housing Mix (Size of Homes Needed): Key Messages

- There are a range of factors which influence demand for different sizes of homes, including demographic changes; future growth in real earnings and households' ability to save; economic performance and housing affordability.
- The strategic conclusions in the affordable housing for rent sector recognise the role in which the delivery of larger family homes can play in releasing supply of smaller properties for other households; together with the limited flexibility which 1-bedroom properties offer to changing household circumstances which feed through into higher turnover and management issues. The conclusions also take account of the current mix of housing in the Local Authority (by tenure).
- Based on the evidence, it is expected that the focus of new market housing provision will be on 3-bedroom properties. Continued demand for family housing can be expected from newly forming households. There may also be some demand for medium-sized properties (2-bedrooms) from older households downsizing and looking to release equity in existing homes, but still retain flexibility for friends and family to stay.
- The analysis linked to the residual Local Plan housing requirement provides the following recommended mix of affordable and market homes:

	1-bed	2-bed	3-bed	4+-bed
Market	0-5%	20-25%	50-55%	20-25%
Affordable home ownership	10-15%	40-45%	35-40%	5-10%
Affordable housing (rented)	25-30%	35-40%	25-30%	5-10%

- The affordable housing mix should inform future strategic policies. In applying these to individual development sites, regard should be had to the nature of the development site and character of the area, and up-to-date evidence of need, as well as the existing mix and turnover of properties at the local level, decided by the Council on a site by site basis.
- The analysis of an appropriate mix of dwellings should also inform the 'portfolio' of sites which are considered by the local authority through its local plan process. Equally, it will be of relevance to affordable housing negotiations.

7 OLDER PERSONS NEEDS

Introduction

- 7.1 As part of understanding the local housing need, analysis has been undertaken on the housing needs of specific groups in South Derbyshire District. The analysis below presents the housing needs of older persons, (over 65).
- 7.2 The analysis in this section draws upon a range of statistics, including those suggested in the PPG (for which the Government has provided a summary data sheet 'Guide to available disability data') – termed the Guide in the analysis to follow.
- 7.3 In some instances, it has been necessary to project the population forward. Reference for this is made to the demographic projections developed in Chapter 4 and repeated in Table 38.

Planning Practice Guidance

- 7.4 The PPG for Housing for Older and Disabled People⁶ identifies the housing requirements of older and disabled people and provides guidance on accessible and adaptable housing and specialist housing for older people. The document also sets out how local authorities can gather evidence to set requirements on a range of issues including accessibility and wheelchair housing standards.
- 7.5 The PPG outlines that plan-making authorities should set clear policies to address the housing needs of groups with particular needs such as older and disabled people (Paragraph 006). These policies can set out how the plan-making authority will consider proposals for the different types of housing that these groups are likely to require.
- 7.6 The PPG in paragraph 010 identifies specialist housing designed to meet the diverse needs of older people, including:
- *“Age-restricted general market housing: This type of housing is generally for people aged 55 and over and the active elderly. It may include some shared amenities such as communal gardens but does not include support or care services.*
 - *Retirement living or sheltered housing: This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services but provides some support to enable residents to live independently. This can include 24-hour on-site assistance (alarm) and a warden or house manager.*
 - *Extra care housing or housing-with-care: This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24-hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these*

⁶ <https://www.gov.uk/guidance/housing-for-older-and-disabled-people>

developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.

- *Residential care homes and nursing homes: These have individual rooms within a residential building and provide a high level of care meeting all activities of daily living. They do not usually include support services for independent living. This type of housing can also include dementia care homes."*

- 7.7 Age-restricted general market housing, retirement living or sheltered housing, extra care housing or housing-with-care typically fall under the use class designation of C3. Residential care homes and nursing homes typically fall under Class C2.
- 7.8 The Planning Practice Guidance note 56 entitled "Housing: optional technical standards"⁷ sets out that the reason for the approach to setting standards is designed to 'rationalise the many differing existing standards into a simpler, streamlined system which will reduce burdens and help bring forward much needed new homes' (paragraph 001) and that 'local planning authorities will need to gather evidence to determine whether there is a need for additional standards in their area' (paragraph 002).
- 7.9 Paragraph 007 sets out that local authorities should be using their assessment of housing need (and other sources) to consider the need for M4(2) (accessible and adaptable dwellings), and/or M4(3) (wheelchair user dwellings), of the Building Regulations. It sets out that there is a range of published statistics which can be considered, including:
- *"the likely future need for housing for older and disabled people (including wheelchair user dwellings).*
 - *size, location, type and quality of dwellings needed to meet specifically evidenced needs (for example retirement homes, sheltered homes or care homes).*
 - *the accessibility and adaptability of existing housing stock.*
 - *how needs vary across different housing tenures; and*
 - *the overall impact on viability."*
- 7.10 The new M4(2) and M4(3) regulations have effectively replaced the Lifetime Homes guidance (the M4(2) regulations are similar to lifetime homes) but also made them a national policy. It is now within Local Planning Authorities' powers to set which of these requirements they are seeking to meet and by how much.
- 7.11 The Council should clearly set out in policy what proportion of new dwellings should comply with the M4(2) and M4(3) requirements based on the assessment below. These conditions should then be applied through the planning process.

⁷ <https://www.gov.uk/guidance/housing-optional-technical-standards>

- 7.12 However, when applying these regulations, the Local Authority should be mindful that other issues such as topography and site layout may mean that they are impossible to apply at some sites.
- 7.13 The Council should continue seeking to support developers in bringing forward housing with improved standards including the Nationally Described Space Standards as Policy S3 sets out. The standard requires that the gross internal floor area (GIA) and the built-in storage area should range from 39 sq. m for a 1-bedroom, 1-person apartment to 138 sq. m for a 6-bedroom home.
- 7.14 In terms of the regulations for 2-bedroom properties, the council should ensure that at least one bedroom is a double room of at least 11.5 sq. m and the minimum floor to ceiling height is 2.3m for at least 75% of the GIA.

Older Persons Population

- 7.15 The table below provides baseline population data for older persons in South Derbyshire District and compares this with the wider geographic comparators of the East Midlands and England. The data has been taken from the published ONS mid-year population estimates and is provided for age groups 65 years and over. The data is for 2018 to reflect the latest published data for South Derbyshire.
- 7.16 The data in the table below shows that the population distribution of older persons in South Derbyshire District is very similar to the trend across the East Midlands and nationally.

Table 37: Older Person Population (2018)

	South Derbyshire		East Midlands	England
	Population	% of population	% of population	% of population
Under 65	85,409	82%	81%	82%
65-74	11,168	11%	11%	10%
75-84	5,715	5%	6%	6%
85+	2,201	2%	2%	2%
Total	104,493	100%	100%	100%
Total 65+	19,084	18%	19%	18%

Source: ONS 2018 Mid-Year Population Estimates

- 7.17 It is estimated that 18% of South Derbyshire District's population is 65+ years old, which aligns with the rest of the country and only slightly lower than the East Midlands trend (19%).
- 7.18 As well as providing a baseline position for the proportion of older persons in South Derbyshire District, population projections can be used to indicate how the numbers might change in the future compared with other areas. The data presented below uses the population projection linked to the residual housing requirement of 7,633 dwellings.

Table 38: Projected Change in Population of Older Persons (2019 to 2028)

	2019 population	2028 population	Change	% Change
Under 65	85,884	96,055	10,171	12%
65-74	11,292	13,049	1,757	16%
75-84	6,062	9,050	2,988	49%
85+	2,182	2,924	742	34%
Total	105,420	121,078	15,658	15%
Total 65+	19,536	25,023	5,487	28%

Source: GLH amendments to ONS subnational population projections (2016-based)

- 7.19 In total population terms, the projections show an increase in the population aged 65 and over of 5,487 people (28%) and an increase in the population aged 50 years and over by 7,806 people (19%). This is against a backdrop of an overall increase of 15% in total population and an increase of 12% in the population aged under 65.

Need for Specialist Accommodation

- 7.20 Given the ageing population and higher levels of disability and health problems amongst older people, there is likely to be an increased requirement for specialist housing options moving forward. The analysis in this section draws on data from the Housing Learning and Information Network (Housing LIN) along with demographic projections to indicate the potential level of additional specialist housing that might be required for older people in the future.
- 7.21 The data for need is calculated by applying prevalence rates to the population aged 75+ and as projected forward. The prevalence rates have been taken from work carried out by Housing LIN for the Derbyshire authorities 'Housing and accommodation for an ageing population: a strategic vision for Derbyshire to 2035' (2018).

Definitions of Different Types of Older Persons' Accommodation

Housing for older people: social sector sheltered and age-exclusive housing and private sector leasehold retirement housing. This will include schemes, for rent and for sale, with on-site staff support, those with locality-based support services and schemes with no associated support services.

Housing with care: includes extra care schemes, often called 'assisted living' in the private sector, with 24/7 care available on-site and housing schemes that offer bespoke care services, even if these are not full on-site 24/7 care, across both the social and private sector.

Residential care: residential accommodation together with personal care, i.e. a care home.

Nursing care: residential accommodation together with nursing care i.e. a care home with nursing.

Source: Housing LIN

- 7.22 The Housing LIN analysis includes the need across the following categories (discussed in more detail below): Housing for Older People, Housing with Care, Residential Care and Nursing Care.
- 7.23 As well as setting out overall prevalence rates for different types of housing, the Housing LIN provides some suggestions for the tenure split between the social housing sector and private sector leasehold accommodation (essentially public vs. private provision), this varies depending on an area's level of deprivation.
- 7.24 The data draws on assumptions from the Shop@ tool with adjustments based on the relative health of older people locally (from 2011 Census data as no newer data is available) and a tenure split based on local deprivation levels (2015 IMD).
- 7.25 Consideration has also been given to overall levels of disability in the older person population; given that these are slightly higher than the national average a small upwards adjustment has been made.
- 7.26 The table overleaf reports the older person's dwelling requirements for South Derbyshire. The dwelling requirements use two categories of accommodation (in addition to care beds). These are a) Housing with Support (which covers retirement/sheltered housing) and b) Housing with Care (which includes the enhanced sheltered and extra-care housing).
- 7.27 The data in the table overleaf shows a current deficit for housing with support (housing for older people) in the private leasehold sector along with a shortfall of housing for rent in housing with care

(e.g. extra-care housing). The analysis also shows a potential shortfall of nursing care bedspaces, but a likely surplus of residential care.

Table 39: Older Person's Dwelling and Care Bedspace Requirements 2019 – 2028

		Current supply	2019 Demand	Current shortfall/ (surplus)	Additional demand to 2028	Shortfall/ (surplus) by 2028
Housing with support (C3)	Rented	720	345	-375	197	-178
	Leasehold	31	563	532	320	852
Housing with care (C3)	Rented	53	59	6	59	65
	Leasehold	160	71	-89	70	-19
Total (dwellings)		964	1,038	74	646	720
Nursing care (C2)		351	433	82	196	277
Residential care (C2)		501	389	-112	35	-77

Source: Derived from demographic projections and Housing LIN/HOPSR/EAC

- 7.28 Projecting these prevalence rates forward, the growing older population results in a higher deficit of 674 for housing with support by 2028. Of which, the majority is private leasehold housing (852 units) counteracting the surplus (-178 units) of housing to rent.
- 7.29 For housing with care, there is expected to be a shortfall of 46 units by 2028. This includes the need for an additional 65 rented units and a potential 19 dwelling surplus of private leasehold accommodation.
- 7.30 There will also be an increase in demand for care bed spaces, reaching 200 at 2028 – all of these are shown to be a need for nursing care, with a surplus of residential care continuing to be shown throughout the period.
- 7.31 As per recent updates to the PPG relating to Housing Supply and Delivery⁸ (Reference ID: 68-035-20190722), any additional C2 bedspaces can be counted as part of the housing land supply. Unlike C3 accommodation this should not be on a simple 1-for-1 basis, but rather should be linked to the average number of adults in each household. Within South Derbyshire, the average number of adults per household is 1.85, thus, for every 1.85 bedspaces built, the housing supply should increase by 1 dwelling.

Older People with Disabilities

- 7.32 The DCLG Guide to available disability data⁹ provides data about households with a long-term illness or disability (LTHPD) from the English Housing Survey. Whilst this provides a national perspective,

⁸ <https://www.gov.uk/guidance/housing-supply-and-delivery>

⁹

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/416475/150323_Guide_to_disability_data_final_web_version.pdf

the source cannot provide more localised data. Hence the analysis below has drawn on the 2011 Census. The 2011 Census defines a LTHPD as “a long-term health problem or disability that limits a person's day-to-day activities, and has lasted, or is expected to last, at least 12 months. This includes problems that are related to old age. People were asked to assess whether their daily activities were limited a lot or a little by such a health problem, or whether their daily activities were not limited at all”.

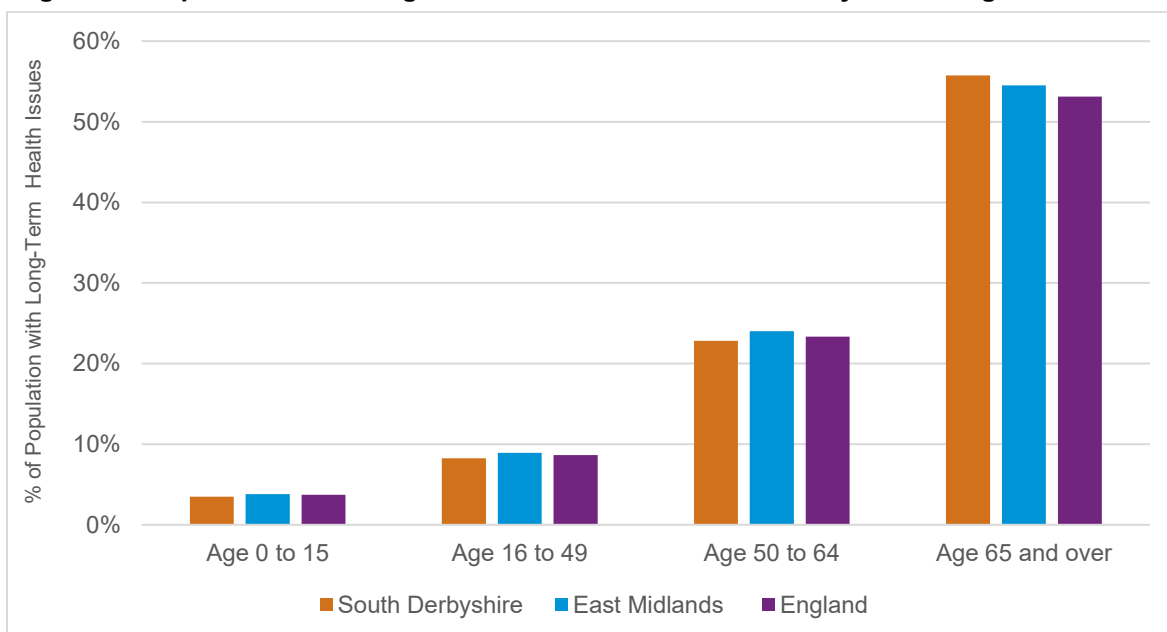
- 7.33 The table below shows the proportion of people with a long-term health problem or disability and the proportion of households where at least one person has an LTHPD. The data suggests that across South Derbyshire, some 32% of households contain someone with an LTHPD. This is slightly lower than the East Midlands (34%) and England (33%).

Table 40: Households and People with Long-Term Health Problem or Disability (2011)

	Households containing someone with a health problem		Population with a health problem	
	Number	%	Number	%
South Derbyshire	12,513	32%	16,536	17%
East Midlands	644,852	34%	844,297	19%
England	7,217,905	33%	9,352,586	18%

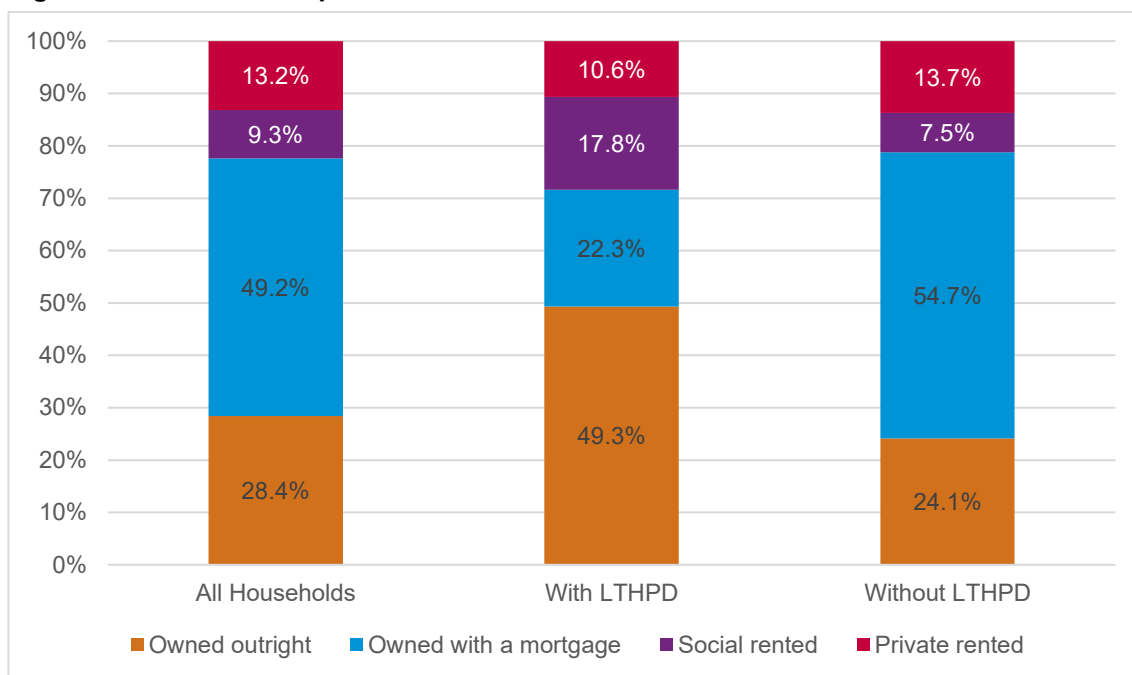
Source: 2011 Census

- 7.34 The figure below shows the population with an LTHPD by age bracket for South Derbyshire, East Midlands and England. The figures for the population with an LTHPD in South Derbyshire show a similar pattern in comparison to the East Midlands and the rest of the nation.
- 7.35 The age profile will likely impact upon the numbers of people with an LTHPD, as older people tend to be more likely to have an LTHPD. Therefore, the figure below shows the age bands of people with an LTHPD. It is clear from this analysis that those people in the oldest age bands in South Derbyshire are more likely to have an LTHPD relative to the East Midlands and England.

Figure 22: Population with Long-Term Health Problem or Disability in each Age Band

Source: 2011 Census

- 7.36 The figure overleaf shows the tenures of people with an LTHPD. It should be noted that the data is for the population living in households rather than the number of households.
- 7.37 The analysis clearly shows that people with an LTHPD in South Derbyshire are more likely to live in social rented housing (17.8%) than those without (7.5%). This is linked to the hardships caused by such conditions meaning that access to work and thus market housing is difficult.
- 7.38 The analysis clearly shows that people with an LTHPD in South Derbyshire are also more likely to own their own home outright (49.3%) than those without a disability (24.1%). This is linked to the older population having paid off their mortgage and falling ill or getting injured as they age.

Figure 23: Tenure of People with a LTHPD

Source: 2011 Census

- 7.39 Given that typically the lowest incomes are found in the social rented sector and to a lesser extent for outright owners (linked to retirees), the analysis would suggest that the population/households with a disability are likely to be relatively disadvantaged when compared to the rest of the population.

Projected Changes to Older People with Disabilities

- 7.40 The table overleaf considers potential changes (increases) in the number of people aged 65 and over with a range of disabilities. The data has been taken directly from Projecting Older People Population Information System (POPPI). It should be noted that the POPPI data provides information for 2025 and 2030 and so the 2028 information is estimated from these two data points.
- 7.41 Overall, the analysis shows notable projected increases for all of the health problems and disabilities, of particular note, is the 37% increase in the number of people with dementia as well as high increases (in terms of the number of people affected) in those with hearing loss. Mobility problems (seen as the number unable to manage at least one activity on their own) are also projected to see a notable increase.

Table 41: Projected Changes to the Population Aged 65 and Over with a Range of Disabilities (2019 to 2028)

Disability	2019	2028	Change	% change
Limiting long term illness whose day-to-day activities are limited a little	5,169	6,506	1,337	25.9%
Limiting long term illness whose day-to-day activities are limited a lot	4,753	6,150	1,397	29.4%
Depression	1,642	2,074	432	26.3%
Severe depression	513	659	146	28.5%
Dementia	1,195	1,640	445	37.2%
Longstanding health condition caused by a heart attack	941	1,193	252	26.8%
Longstanding health condition caused by a stroke	444	570	126	28.5%
Longstanding health condition caused by bronchitis and emphysema	328	412	84	25.7%
Predicted to have a fall	4,976	6,396	1,420	28.5%
Predicted number of hospital admissions due to falls	562	768	206	36.6%
Bladder problem less than once a week	608	780	172	28.4%
Bladder problem at least once a week	3,071	3,950	879	28.6%
Moderate or severe visual impairment	1,625	2,132	507	31.2%
Some hearing loss	11,549	15,222	3,673	31.8%
Severe hearing loss	1,416	2,039	623	44.0%
Unable to manage at least one activity on their own	3,301	4,347	1,046	31.7%
With a BMI of 30 or more	5,113	6,286	1,173	22.9%
Diabetes	2,421	3,023	602	24.9%
Learning disability	407	503	96	23.7%
Moderate or severe learning disability	56	67	11	20.4%
Autistic spectrum disorders	184	231	47	25.3%

Source: POPPI

- 7.42 An example of how dementia care could best be provided is a new Dementia Centre at Amber Wood in Burton, provided by Staffordshire County Council but operating as a regional facility for Staffordshire. The development was part-funded by a Homes England grant and has been built to the Gold Standard of the Dementia Design Audit Accreditation. It provides 45 rooms, each with en-suites and communal areas. At February 2019, 26 residents moved from Hillfield House in Stretton and others have been nominated by the County Council to reside at the scheme.
- 7.43 While the analysis above does not directly translate into a need for specific levels of M4(2) properties it does justify the Council seeking to increase the number of accessible homes by as much as viably possible. Although it is recognised that some developments, because of their built form and/or topography, may not be suitable for this type of development.

Housing for Wheelchair users

- 7.44 Before concluding our consideration of the housing needs of disabled people, it is worth considering the recommendations of an authoritative study, “Mind the Step: An estimation of housing need among wheelchair users in England”¹⁰ produced by Habinteg Housing Association and London South Bank University (Supported by the Homes and Communities Agency).
- 7.45 Information about the need for housing for wheelchair users is difficult to obtain (particularly at a local level) and so some brief analysis has been carried out based on national data within the Habinteg study. This report provides information at a national and regional level, although there are some doubts about the validity even of the regional figures, and thus this study focuses on national data.
- 7.46 The report identifies that around 84% of homes in England do not allow someone using a wheelchair to get to and through the front door without difficulty and that once inside, it gets even more restrictive.¹¹ Furthermore, it is estimated (based on English House Condition Survey data) that just 0.5% of homes meet criteria for ‘accessible and adaptable’, while 3.4% are ‘visitable’ by someone with mobility problems (data from the DCLG Guide to available disability (taken from the English Housing Survey)) puts the proportion of ‘visitable’ properties at a slightly higher 5.3%.
- 7.47 To arrive at an estimate of current unmet need for dwellings adapted to a wheelchair user's needs, this report provides a simple method: to take the regional percentage of all households who are wheelchair user households (in this study 3% for East Midlands/) and multiply this by all households. Using this method, we arrive at 1,328 households in the district.
- 7.48 To arrive at “unmet need”, we multiply the answer by the percentage of wheelchair users with unmet need at the regional level (in this study, 10% of the 3% for the East Midlands). Using this formula, we arrive at 133 households.
- 7.49 To arrive at the number of wheelchair adapted dwellings to be provided over the plan period, it is reasonable to assume 3% of the additional households will have this need. If 3% is applied residual growth this would result in 25 (rounded) additional wheelchair adapted homes per year, or 229 over the plan period.
- 7.50 This would suggest that the Council should seek to deliver around 5-10% of all new homes as M4(3) properties. This would address the backlog need and the future need.

¹⁰ <https://www.habinteg.org.uk/download.cfm?doc=docm93jjm4n450.pdf&ver=537>

¹¹ Habinteg Housing Association and London South Bank University, Mind the Step: An estimation of housing need among wheelchair users in England, page 5

Older Persons Housing and Planning Use Classes

- 7.51 As per the recently updated PPG (Paragraph: 014 Reference ID: 63-014-20190626) it will be for the local planning authority “to consider into which use class a particular development may fall. When determining whether a development for specialist housing for older people falls within C2 (Residential Institutions) or C3 (Dwelling house) of the Use Classes Order, consideration could, for example, be given to the level of care and scale of communal facilities provided”.
- 7.52 Housing with support and housing with care (C3) delivery forms part of the standard method figure as these are self-contained dwellings, and as such, are classed as part of the household projections. Care bedspaces, C2, can also contribute towards housing need, although as per the housing delivery test rulebook¹² every 1.8 bedspaces contribute towards housing delivery.

South Derbyshire Planning Policy

Housing and accommodation for an ageing population: a strategic vision for Derbyshire

- 7.53 Derbyshire County Council has produced the “Housing and accommodation for an ageing population: a strategic vision for Derbyshire to 2035” (2018)¹³. The purpose of the document is to outline the strategic vision for a range of housing and accommodation choices and support suited to meet the requirements of the ageing population. This document has been formally adopted by South Derbyshire District Council.
- 7.54 For South Derbyshire, the document notes that the District has the lowest percentage in the County of people aged 65 years and over (approximately 17% of the population). However, it also notes that the district will see the largest increase in population.
- 7.55 The report sets out that there are 1,213 current service users aged 65 and over in receipt of Adult Care Services. The assessment also sets out a significant growth in those with dementia in South Derbyshire (96.8%) to 2035.
- 7.56 It also reports on the supply position of the district, setting out that there are 374 care homes with nursing beds and 501 total care beds. It also notes that across the County, housing with care numbers are below the national average.
- 7.57 Based on population growth of 6,900 people aged over 75, the report also calculates a future need for the district by 2035 which can be summarised as follows:

¹² www.gov.uk/government/publications/housing-delivery-test-measurement-rule-book

¹³ <https://www.derbyshire.gov.uk/site-elements/documents/pdf/council/meetings-decisions/meetings/cabinet/11-10-2018-housing-and-accommodation-for-an-ageing-population-strategic-vision-for-derbyshire-to-2035.pdf>

- 806 units of housing for older people, of which
 - 100 units of rental housing for older people
 - 706 units of housing for older people for sale
- 157 units of housing with care all of which are for rent
- 384 nursing care beds; and
- A surplus of residential care beds of around 134

7.58 This is a considerably lower level of need than set out herein. This difference is principally due to the population projections, which do not take into account the unmet need from Derby being addressed or an increase in housing need above the baseline to take into account affordability.

Older People's Housing Commissioning Strategy for Derbyshire 2019 to 2035

- 7.59 Derbyshire County Council also produced the "Older People's Housing, Accommodation and Support" which was a strategy for Derbyshire 2019 to 2035¹⁴. As well as a strategy, this includes a delivery plan, building on the Strategic Vision document identified above.
- 7.60 The document reports that in the nursing and residential care home sector, there were 130 permanent admissions to nursing and residential care for people aged 65 and over in South Derbyshire between 2017 and 2018. This is the lowest rate in the County, with Amber Valley accounting for the greatest (188) number of admissions. However, on a per capita basis, South Derbyshire has one of the higher rates of admissions.
- 7.61 The document also focuses on initiatives delivered to assist people to stay living independently in their own home for longer. South Derbyshire District Council has established various schemes funded through the money awarded for the Disabled Facilities Grant to deliver preventative and innovative services. These schemes, such as the Healthy Homes Scheme which supports people living in the private sector who are struggling to afford to heat their home with energy efficiency measures, and the Home from Home Service which prevents hospital admissions have been successful in achieving the strategic aims of the Policy. Partners also want to expand the range of information and advice available to older people to enable them to plan for their future housing needs before crisis.
- 7.62 In terms of age-designated housing, the document notes that South Derbyshire District Council's housing stock condition report will inform planning regarding the lifespan and future alternative options for the existing sheltered housing stock. Partners also want to enable new build, contemporary 'care ready' housing for rent and shared ownership to be sufficiently attractive to encourage downsizing.

¹⁴ <https://www.derbyshire.gov.uk/site-elements/documents/pdf/social-health/adult-care-and-wellbeing/accommodation-and-housing/older-peoples-housing-commissioning-strategy-for-derbyshire-2019-to-2035.pdf>

- 7.63 The strategy also sets out:
- A current need for 751 age-designated housing units which is expected to increase to 1,457 by 2035.
 - A current need for 213 housing with care units which is expected to increase to 368 by 2035.
 - A current need for 501 residential care bed spaces which is expected to fall to 368 by 2035.
 - A current need for 351 nursing care beds which is expected to increase to 735 by 2035
- 7.64 It also notes that 7 out of 58 areas (Mid Super Output Areas) have poor access to services based on the Indices of Multiple Deprivation.
- 7.65 Concerning the supply of housing with care, the strategy notes that South Derbyshire District Council would like to enable an extra-care housing scheme similar to the scheme at Oaklands Village in Swadlincote which has proved to be successful. It added that partners want to support the development of additional housing with care schemes to meet estimated future need, of differing sizes and tenure mixes depending on location.
- 7.66 It notes that South Derbyshire District Council will consider utilising s.106 contributions to develop some of the required housing with care provision. Within the social rented sector, a revised allocation policy will incentivise and give priority to older people downsizing from family homes.
- 7.67 The strategy also sets out recent market developments, noting that the Oaklands Village Extra Care Scheme is a good example of a development that incorporates extra care, residential care provision and supports the wider community-based activity. While the Richmond Village development offers mixed extra care, residential home and separate nursing and dementia unit and is a good example of a hybrid approach, there are however noted issues with affordability for this scheme.
- 7.68 The strategy finally sets out market opportunities including that for:
- Age designated housing that has a focus on downsizing and is care ready;
 - Housing with care schemes that have a focus on affordable provision; and
 - Affordable nursing care provision that supports people with more complex needs.

Accommodation Provision

- 7.69 Derbyshire County Council owns and operates 17 homes for older people and five community care centres. The Council's "Housing and accommodation of an ageing population" document notes that whilst there has been a lot of housing development in South Derbyshire, a further 816 units of age-designated housing suitable for the needs of older people should be developed. It notes that affordable provision is a priority with an estimated 369 units for housing with care and 384 nursing care beds required by 2035.

- 7.70 Richmond Villages retirement units at Aston on Trent is privately owned extra-care village, provided by Bupa. The property includes 76 village apartments, 49 village suites and a 61-care bed home and both sale and rental options are available. Rental units are available at the property at around £133 per day.
- 7.71 The village apartments are self-contained homes and are priced at around £295,000 for a 1-bedroom apartment and £340,000 for a 2-bedroom. The village care homes have private en-suite bedrooms with communal spaces. Residential care is provided for those who have low clinical needs, but where undertaking daily tasks may be a challenge. Nursing care is provided when a higher level of clinical support is required 24 hours a day.

Healthy Homes Project

- 7.72 The Healthy Home project offers people with a long-term health condition help with cold homes. The project helps improve home insulation and heating to keep the home warm and reduce the health risks associated with a cold home.
- 7.73 Services to eligible households include a free new energy efficient boiler, loft or cavity wall insulation or other energy-saving measures subject to a survey by the team. Eligible people receive advice to help improve the efficiency of the heating system to reduce fuel bills.

Council Support

- 7.74 The Council have provided data on the recipients of home care in South Derbyshire over the period 2014/15 to 2017/18. Over the period, the volume of health care recipients has decreased by 10% from 678 in 2014/15 to 611 in 2017/18. The home care is provided by both Derbyshire County Council or an independent care provider.
- 7.75 The Council has provided data on the number of people receiving grants to adapt properties. Private sector adaptations are funded through Disabled Facilities Grants (DFG) while Council owned stock is funded through the Housing Revenue Account (HRA).
- 7.76 Since 2014, 555 households have received some form of adaption to their property. These adaptations include access improvements to the property, for example, ramped access and internal adaptations such as level access showers and stairlift provision. In total, these grants were to the value of £2.9 million. Council tenants were the most likely recipients of such grants with 46% of the grants going to households in this tenure type. Households renting from registered providers received 5% of grants and owner-occupier households received 43% of grants. The remaining 5% of grant recipients were in the private rented sector.

- 7.77 Based on Council data, 320 households with people aged over 60 years have received some form of adaption to their property. The table overleaf identifies the broad type of adaptations by tenure for households aged 60 years and over. It is important to note that properties can receive more than one type of adaption. As the table below shows, shower/bathroom alterations and stairlift/lift access were the most common type of improvement.

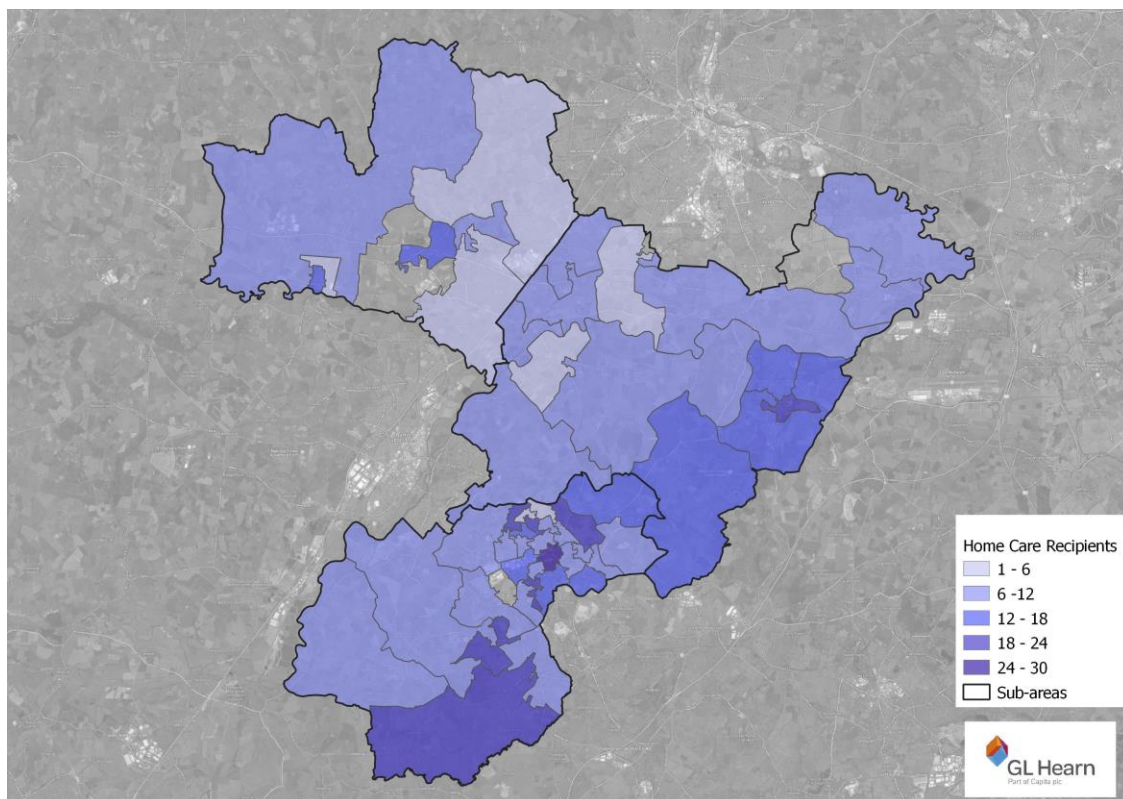
Table 42: Council Supported Housing – Households 60 years and over (2019)

	External access	Shower/Bathroom	Kitchen	Internal alterations	Stairlift / Lift	Extension
Council Tenant	11	123	2	2	34	0
Owner Occupier	0	54	2	4	54	3
Private Rent	0	8	0	0	6	0
Registered Provider	0	12	0	0	4	0
Total	11	197	4	6	98	3

Source: South Derbyshire District Council, 2019

- 7.78 The figure overleaf maps the number of households receiving home care support in South Derbyshire by Lower Super Output Area (LSOA) as of 2018/2019. In total, there were 583 recipients. As the map shows, there is a large cluster across the Swadlincote and South sub-area and Melbourne in the Derby Fringe sub-area.
- 7.79 Whilst the overall number of home care recipients has declined by 44 since 2014/2015, the total number has increased year-on-year over the last three years.

Figure 24: Home Care Recipients in South Derbyshire (2018 to 2019)



Source: GL Hearn using South Derbyshire District Council Data, 2018

Key Messages: Older Persons Need

- It is estimated that 18% of South Derbyshire District's population is 65+ years old, which aligns with the rest of the country and only slightly lower than the East Midlands trend (19%).
- In South Derbyshire, some 32% of households contain someone with a LTHPD. This is lower than the East Midlands (34%) and England (33%).
- The analysis shows that people with a LTHPD in South Derbyshire are more likely to live in social rented housing (17%), followed by owned outright (49%) than those without (7.5% & 24% respectively).
- The population projection linked to the residual housing requirement show an increase in the population aged 65 and over of 5,487 people (28%).
- There is a current deficit for housing with support in the private leasehold sector along with a shortfall of housing with care (e.g. extra-care housing to rent).
- The analysis also shows a potential shortfall of nursing care bedspaces, but a likely surplus of residential care.
- The growing older population results in a higher deficit of 674 for housing with support by 2028. Of which the majority is private leasehold housing with support with a surplus of affordable housing to rent.
- For housing with care, there is expected to be a shortfall of 46 units by 2028. This includes the need for an additional 65 affordable homes to rent and a potential surplus of 19 private leasehold homes.
- There will also be an increase in demand for care bed spaces, reaching 200 at 2028 – all of these are shown to be a need for nursing care, with a surplus of residential care.
- The number of people aged 65+ years with dementia will increase by 445 (37%) between 2019 and 2028. There is an even larger increase in those with mobility problems (1,046 or 32%).
- The population aged 65+ years with learning disabilities is projected to increase by around 24% or 503 by 2028, and those with autism are projected to increase by around 25%.
- Between 2014/15 to 2017/18 the volume of healthcare recipients decreased by 10%. Since 2014, 555 households have received grants totalling £2.9m for some form of adaption to their home.
- There is a current shortfall of around 133 wheelchair accessible homes. Over the plan period, this shortfall is expected to increase by an additional 25 wheelchair adapted homes each year, taking the total to 362 by 2028.
- The evidence would justify the Council seeking to increase the number of M4(2) accessible homes by as much as viably possible and for 5-10% of new households to be M4(3) homes. Considering this aspiration, it should be borne in mind that some developments, because of their built form and/or topography, may not be suitable for this type of development. In addition, the Council should continue to support the National Described Space Standards.

8 YOUNGER PEOPLE WITH A PHYSICAL DISABILITY OR LONG-TERM CONDITION

Introduction

- 8.1 This section of the report forms part of the analysis of the housing needs for specific groups. This section focuses on the housing needs of younger persons (ages 16-64) with a physical disability or long-term condition.

Projected Population Change

- 8.2 To further understand future housing needs, we have projected the change in the population with a physical disability or long-term health condition. This has been undertaken using the same methodology for older persons as outlined above using data from Projecting Older People Population Information (POPPI). Notably, the data for older persons (65+) has been reported in the older persons housing need analysis above.
- 8.3 The population aged 16-64 years with severe hearing loss are expected to experience the greatest growth, increasing by 6% to 405 people by 2028. Following this, the population with some hearing loss is projected to experience growth of around 5% by 2028.
- 8.4 Perhaps more pertinent to this study, the population with impaired mobility is also expected to experience change with an extra 175 people (5% increase) by 2028.
- 8.5 The population with a learning disability is expected to increase by 47 people, although the overall numbers for this category are relatively high at 1,550 by 2029.
- 8.6 We have also provided an indication of the percentage of the population with these conditions. This is based on the projected population linked to the residual Local Plan need. As can be seen below, it is expected that the number of people with these conditions will grow as a percentage, whereas the overall population will reduce.

Table 43: Projected Changes to Population Aged 18-64 with a Range of Disabilities (2019 to 2028)

Disability	2019	% of Pop	2028	% of Pop	Change	% Change
Learning disability	1,503	1.4%	1,550	1.3%	47	3.1%
Moderate or severe learning disability	342	0.3%	356	0.3%	14	4.1%
Severe learning disability	89	0.1%	93	0.1%	4	4.5%
Down's syndrome	39	0.0%	40	0.0%	1	2.6%
Challenging behaviour	28	0.0%	29	0.0%	1	3.6%
Autistic spectrum disorders	612	0.6%	626	0.5%	14	2.3%
Impaired mobility	3,526	3.3%	3,701	3.1%	175	5.0%
Moderate personal care disability	2,560	2.4%	2,648	2.2%	88	3.4%
Serious personal care disability	561	0.5%	577	0.5%	16	2.9%
Longstanding health condition caused by a stroke	207	0.2%	207	0.2%	0	0.0%
Diabetes	2,177	2.1%	2,217	1.8%	40	1.8%
Serious visual impairment	40	0.0%	41	0.0%	1	2.5%
Some hearing loss	6,436	6.1%	6,779	5.6%	343	5.3%
Severe hearing loss	382	0.4%	405	0.3%	23	6.0%
Common mental disorder	11,714	11.1%	12,025	9.9%	311	2.7%
Borderline personality disorder	1,487	1.4%	1,527	1.3%	40	2.7%
Antisocial personality disorder	2,058	2.0%	2,108	1.7%	50	2.4%
Psychotic disorder	433	0.4%	444	0.4%	11	2.5%
Two or more psychiatric disorders	4,452	4.2%	4,568	3.8%	116	2.6%
Alcohol dependence	3,686	3.5%	3,777	3.1%	91	2.5%
Dependent on drugs	2,092	2.0%	2,145	1.8%	53	2.5%
Survivors of childhood sexual abuse	7,143	6.8%	7,336	6.1%	193	2.7%

Source: PANSI

- 8.7 As with the older persons need, the analysis above does not directly translate into a need for specific levels of M4(2) properties, however, it does justify the Council seeking to increase the number of accessible homes as much as viably possible. Although we recognise that some developments, because of their built form and/or topography, may not be suitable for this type of development.

Persons with Ill Mental Health

- 8.8 P3 is a social organisation with a variety of services for socially excluded and vulnerable people across the UK. P3 provides I-Decide which is accommodation and tenancy-based support service for people in Derbyshire aged 18 and over experiencing mental health issues.

- 8.9 I-Decide has been commissioned by Derbyshire County Council since 2012 to provide housing-related support services through Accommodation Based Support (ABS) and Community Based Support (CBS). Both services provide non-personal care-based housing-related support to enable people to develop and maintain the skills to live independently in their chosen community. Accommodation is available in Erewash, South Derbyshire, Chesterfield, North East Derbyshire and Bolsover.
- 8.10 The support can take place across all tenures such as private, council-owned, registered providers or at another suitable location such as a community hub based on Hill Street, Swadlincote. Support levels vary with CBS often provided in a person's property and involve 1 to 1.5 hours of support per week. Those receiving ABS support in a property, which is either owned or leased by P3, will receive around 3 hours of support per week. Although, this can change depending on the person's individual needs.
- 8.11 To be eligible for CBS and ABS support, people must be aged over 16 years and a resident in the administrative county of Derbyshire. Further, they must have a mental health issue and an identified support need.
- 8.12 In terms of supported accommodation, I-Decide provides 9 units of accommodation for ABS in South Derbyshire and 10 units for CBS. This accommodation includes both shared and single occupancy housing in Newhall, Woodville and Swadlincote. Accommodation contracts are often 12 months and the average length of stay is 10.6 months.
- 8.13 In addition to this supply, I-Decide has 10 units that are not contracted. These units are funded through enhanced Housing Benefit and provide lower-level intensive housing management support. They are for anyone who needs accommodation and does not meet the I-Decide contract criteria. This accommodation includes a mix of shared and single occupancy and located in Woodville, Newhall, Gresley and Swadlincote.
- 8.14 This lower level of intensive housing is used as a waiting area for clients who qualify for the I-Decide service after 12 months. Sometimes this type of accommodation is used as short-term accommodation in situations where people may have arrears that are too high to allow them to move to more settled accommodation, they are considered to have support needs that would prevent them from moving on people are still bidding for registered for housing.

People with a Learning Disability

- 8.15 Consultation with the Commissioning Manager for Adult Care at South Derbyshire County Council identified that there is a long-term strategy currently being prepared which sets out the plan for

specialist accommodation for people with disabilities and learning difficulties (particularly autism) in the County.

- 8.16 In South Derbyshire, 1-bedroom supported living is the key focus. There is a high demand for 1-bedroom self-contained accommodation and the supply is limited. Historically, accommodation for people with disabilities and learning difficulties was provided through shared occupancy, however considering numerous issues associated with this type of living such as circumstance compatibility, there is a movement towards 1-bedroom supported living. However, there is still the need to provide shared spaces in the development of social benefits.
- 8.17 It is essential that purpose-built accommodation for people with disabilities and learning difficulties is located on a bus route, near to shops and community services.
- 8.18 South Derbyshire has a relatively low waiting list compared to other parts of the county, however, there is still the responsibility to accommodate the over-spill from neighbouring local authorities which is considered a County priority to address. The consultation identified that the problem for South Derbyshire is that the neighbouring local authorities have high numbers of people on the waiting list for accommodation.
- 8.19 The need to consider the design of 1-bedroom units was also identified as an issue. The consultation found that some 1-bedroom units are not large enough to accommodate mobility issues such as people in wheelchairs.
- 8.20 The Newhall Centre in Swadlincote is a Council operated non-residential facility that supports 80 people with varying learning disabilities 5 days a week. In terms of existing residential provision, there is a bungalow in Newhall that provides accommodation for those with mental health and physical disabilities. The Council has recently approved a planning scheme for a privately-run supported living scheme, made up of 16 self-contained flats for persons with learning difficulties, mental health and physical difficulties.
- 8.21 The consultation found that there is also a proposal from a provider to deliver 12 apartments and four bungalows in Woodville. The apartments are proposed to provide 24-hour support for the population with learning difficulties and the bungalow accommodation also provides 24-hour support, however, designed to accommodate two people. It is expected that the 12 apartments will be filled instantly as demand is high for single occupancy accommodation.
- 8.22 It was established that a development like this meets the current accommodation needs in South Derbyshire. In terms of affordability, providers must set prices in line with local rents.

Key Messages: Younger People Physical Disability or Long-term Condition

- The population aged 16-64 years with severe hearing loss are expected to experience the greatest growth, increasing by 6% to 405 people by 2028. The population with some hearing loss is projected to experience growth of around 5% by 2028.
- The population with impaired mobility is also expected to experience change, with an extra 175 people (5% increase) by 2028.
- The population of people with a learning disability is expected to increase by 47, although this is small compared to the overall numbers at 1,550 by 2028.
- This would suggest that the Council need to be planning for further support services to address the growing need in each of these groups.
- It may also be the case that adoption of M4(2) standards would assist with some of these disabilities.

9 PRIVATE RENTAL SECTOR

Introduction

- 9.1 This section of the report forms part of the analysis of the housing needs for specific groups. This section looks at a range of statistics concerning the private rented sector (PRS) in South Derbyshire.
- 9.2 Where possible, comparisons are made with other tenures (i.e. owner-occupied and affordable housing to rent) as well as contrasting data with other areas. The aim is to bring together a range of information to inform the need for additional private rented housing in the local authority. Notably, South Derbyshire is currently undertaking a housing stock condition survey which once complete, will provide up-to-date data on the condition of the PRS sector.

Profile of the Private Rented Sector

- 9.3 The table below shows the tenure split of housing in 2011 in South Derbyshire, East Midlands and England. No newer data is available relating to the private rental sector at a local level.
- 9.4 The data identifies approximately 4,603 households living in the PRS in South Derbyshire which equates to 11% of all households. This proportion is slightly lower than the East Midlands (12%) and much lower than the national rate of 24%. The high proportion at the national level is heavily driven by the proportion of private renters in London.

Table 44: Households by Tenure in South Derbyshire (2011)

	South Derbyshire	East Midlands	England
Owns outright	13,237	621,224	689,898
Owns with mortgage/loan	16,179	653,441	886,309
Social rented	7,754	600,846	785,993
Private rented	4,603	257,017	775,591
Other	965	50,755	43,494
Total	42,738	2,183,283	3,181,285
% private rented	11%	12%	24%

Source: Census (2011)

- 9.5 In South Derbyshire, there is a very small proportion of households (2%) recorded as living in 'other' PRS accommodation which is likely to be housing linked to employment. This split is aligned with the proportion in the East Midlands (2%) and England (1%).
- 9.6 In April 2018 there were 3,528 housing benefit claimants in South Derbyshire of which 1,132 (32%) were in the PRS. The majority of claimants are aged either between 25-44 or over 70. Around half

the claimants are single persons with no dependent children. Around 1,200 claimants have dependent children.

- 9.7 As well as looking at the current tenure profile, it is of interest to consider how this has changed over time. The table below shows the change in tenure for South Derbyshire from the 2001 and 2011 Census. Again, no newer data is available relating to the PRS at a local level.

Table 45: Change in Household Tenure in South Derbyshire (2001 to 2011)

	2001	2011	Change	% Change
Owns outright	10,519	13,237	2,718	25.8%
Owns with mortgage/loan	15,633	16,179	546	3.5%
Shared Ownership	99	131	32	32.3%
Social rented	3,908	3,877	-31	-0.8%
Private rented	1,817	4,603	2,786	153.3%
Other	1,019	965	-54	-5.3%
Total	32,995	38,992	5,997	18.2%

Source: 2001 and 2011 Census

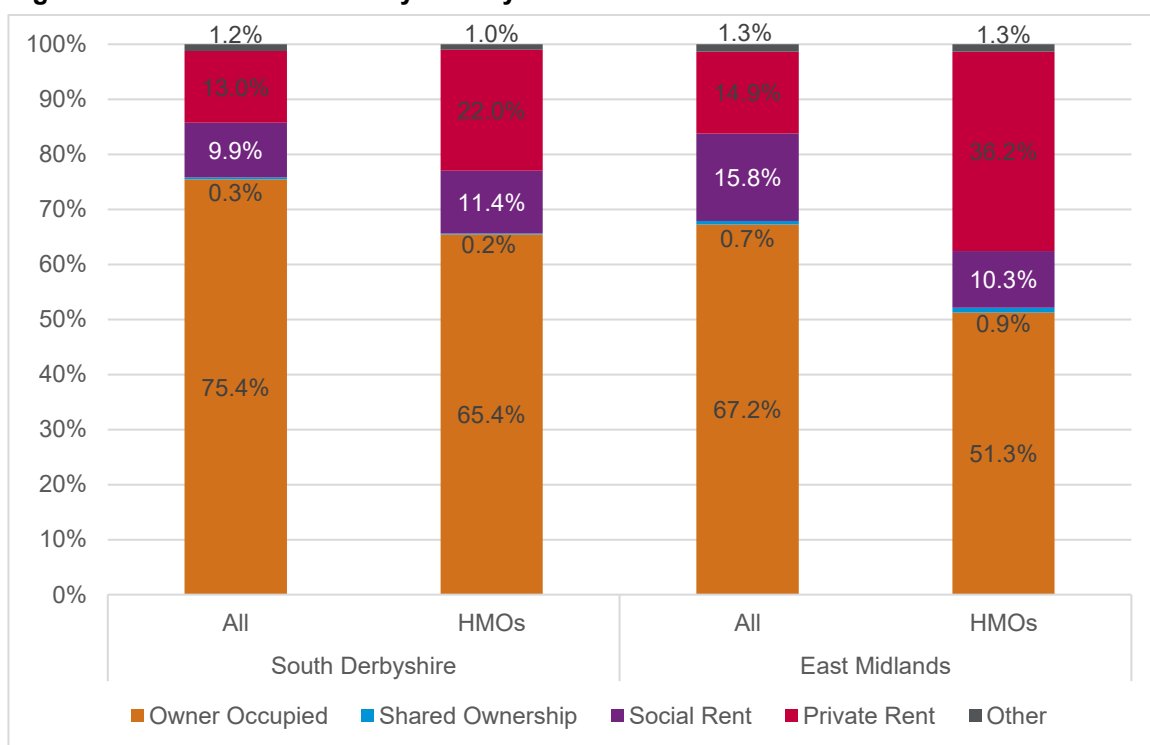
- 9.8 There has been significant growth in the number of households living in privately rented accommodation (153.3%). Outright owners have seen a 25.8% increase over the period and only a slight increase in owners with a mortgage (3.5%). Increase in outright owners is attributed to mortgages being paid off, which may have been assisted by a period of low-interest rates.
- 9.9 Households renting socially has been relatively stable over the ten-year period (-0.8%). There has also been a slight decline in other households (-5.3%) which includes those living rent-free.

Houses in Multiple Occupation

- 9.10 Houses are considered to be in multiple occupation (HMO) if both of the following apply:
- At least 3 tenants live there, forming more than 1 household
 - You share a toilet, bathroom or kitchen facilities with other tenants
- 9.11 A home is considered a large HMO if both of the following apply:
- At least 5 tenants live there, forming more than 1 household
 - You share a toilet, bathroom or kitchen facilities with other tenants
- 9.12 Landlords of large HMO's are obligated to obtain a license and are required to meet certain standards. South Derbyshire Council is responsible for enforcing HMO standards.

- 9.13 The Census does not provide a specific breakdown for HMO's but analysis of the "Other Households-Other" category can be taken as a proxy for this. This group is essentially unrelated adults living together in the same dwelling.
- 9.14 In 2001, there were 642 Other: Other households in South Derbyshire. By 2011 this had increased to 1,013. This is a growth of 57% in ten years, although it still only represents around 2.6% of all households in the district, up from 1.9%. No newer data is available relating to this matter.
- 9.15 The growth will be in some part driven by increased migration but also through changes to the Local Housing Allowance which has meant that under 35 only receive the shared property rate.
- 9.16 The figure illustrates the percentage of Other: Other households across all tenure types In South Derbyshire and compares this to the wider population and the East Midlands. As illustrated, 65% of Other: Other households are in owner-occupation, this compares to 75% in all households.

Figure 25: HMOs in South Derbyshire by Tenure



Source: Census 2011

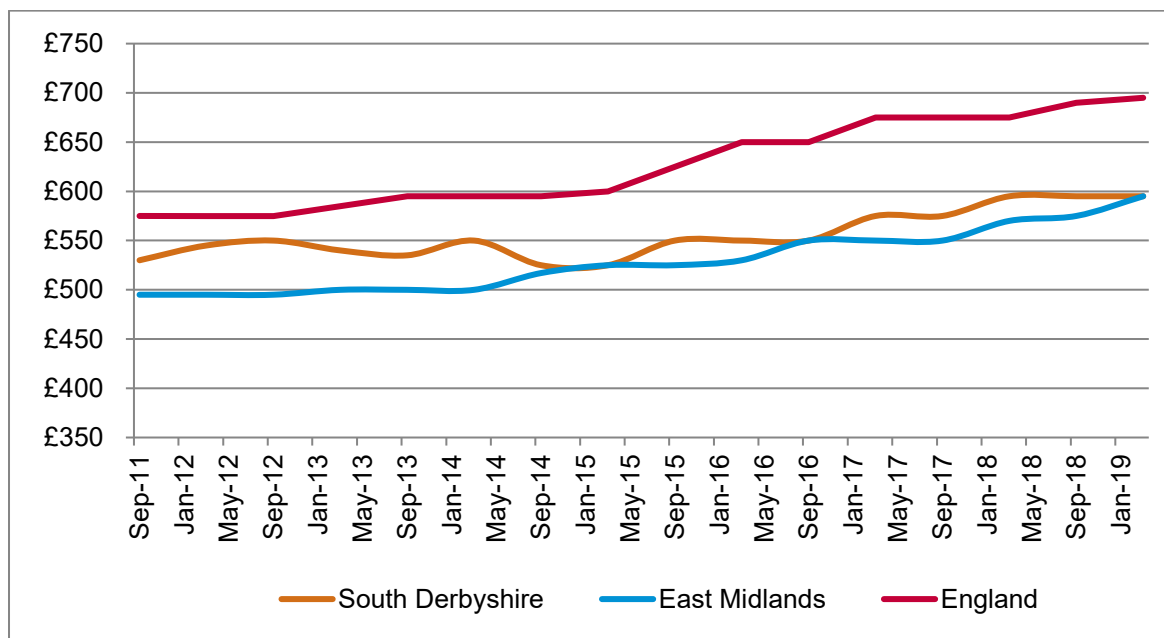
- 9.17 In contrast, 22% of Other: Other Households are in PRS housing this compares to 13% for all households. However, this is still lower than the equivalent figure for the East Midlands (36%). Part of the solution to addressing the high number of HMOs is to provide more 1-bedroom affordable rental units.

- 9.18 There may also be a demand for specialist build-to-rent developments, although at present these are typically found in larger metropolitan areas where rents are higher (see below). That being said, if any application is made in South Derbyshire, the Council should treat this on its own merits.

Rental Values

- 9.19 The figure below shows the change in PRS values since 2011. Over the period, median rental values in the District have consistently been higher than the East Midlands', however lower than England. Between the period of January 2015 and September 2016, the median rental values of South Derbyshire are almost on par with the East Midlands.
- 9.20 Median rental values in South Derbyshire have increased by 12% since 2011 and currently stand at £595 per calendar month (March 2019). This level of growth has not been as strong as the East Midlands region which experienced a 25% increase in rental values and the nation which has grown by 21% over the same period.
- 9.21 In South Derbyshire, median rents fluctuated in earlier years, however, stabilised at the year 2015 and continued to grow in value.

Figure 26: Rental Values Over Time (2011-2019)

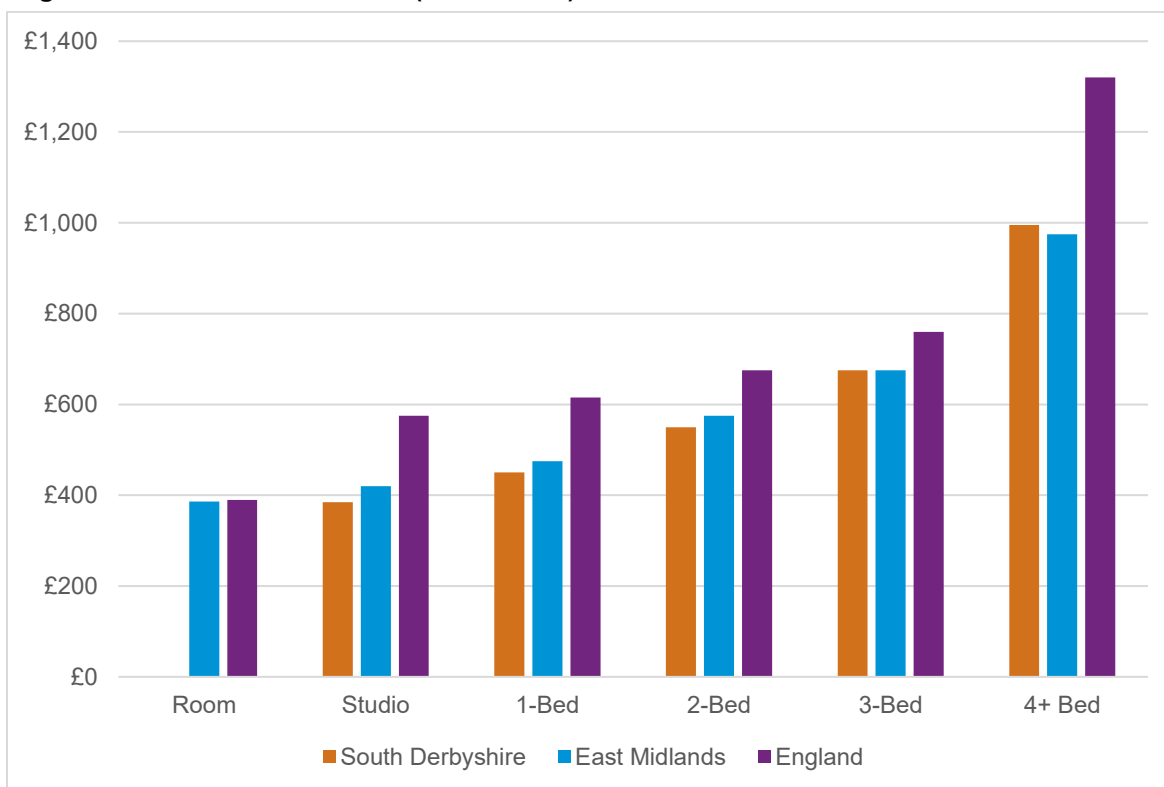


Source: VOA, 2019

- 9.22 The figure below identifies the current median rental values by bedroom size for South Derbyshire compared to the East Midlands and England. Note, there is no single room rental data recorded in South Derbyshire.

- 9.23 Across all bedroom sizes, the median rental values in South Derbyshire are fairly aligned with the East Midlands values, but below the national median. Median rental values for smaller houses (studio, 1 and 2-bedrooms) are greater in the East Midlands, however, 3-bedrooms and 4+ bedrooms are greater in South Derbyshire.

Figure 27: Median Rental Value (March 2019)



Source: VOA, 2019

Key Messages: PRS

- The data identifies approximately 4,603 households living in private rented housing in South Derbyshire which equates to 11% of all households.
- There has been significant growth in the number of households living in privately rented accommodation (153%) between 2001 and 2011. No newer data is available relating to the private rental sector at a local level.
- The 2011 proportion of households in the PRS in South Derbyshire (12%) is slightly lower than the East Midlands (12%) and much lower than the national rate of 24%.
- In April 2018 there were 3,528 housing benefit claimants in South Derbyshire, of which 1,132 (32%) were in the Private Rental Sector. The majority of claimants were aged either 25-44 or over 70.
- In 2011, there were 1,013 Other: Other households. This can be taken as a proxy for HMOs. This number has increased by 58% since 2001.
- There is a relatively higher percentage of this group living in PRS housing. Delivery of additional 1-bedroom affordable units could ease or slow this growth.
- Median rental values in South Derbyshire have increased by 12% since 2011 and currently stand at £595 per calendar month (March 2019). This level of growth has not been as strong as the East Midlands region which experienced a 25% increase
- Across all bedroom sizes, the median rental values in South Derbyshire are fairly aligned with the East Midlands values and below the national median.
- There is unlikely to be a need for policy to support additional PRS accommodation.
- We do not anticipate any demand from build to let developers but any proposal for this type of development should be treated on their own merits.

10 YOUNG PERSONS HOUSEHOLDS

Introduction

- 10.1 This section of the report forms part of the analysis of the housing needs for specific groups. This section looks at a range of statistics in relation to younger person households in South Derbyshire. Young person households are defined as households under the age of 35 years in South Derbyshire.

Profile of Young Persons Households

- 10.2 The table below identifies the housing profile of young people (under 35 years) and the type of tenure they occupy as of 2011. No newer data is available relating to the PRS at a local level.
- 10.3 The proportion of young persons renting privately in South Derbyshire (30%) is less than the East Midlands (37%) and England (41%). Further, the proportion of young persons renting social housing in South Derbyshire (12%) is significantly lower than the East Midlands (20%).

Table 46: Young Persons Households by Tenure in South Derbyshire (2011)

	South Derbyshire	East Midlands	England
Owens outright	249	11,090	160,463
Owens with mortgage/loan	3,035	111,042	1,203,106
Social rented	750	63,129	779,951
Private rented	1,849	119,506	1,607,569
Other	2,433	149,614	2,003,855
Total Young Persons Households	6,175	319,821	3,949,232
% Private rented	30%	37%	41%

Source: Census (2011)

- 10.4 The proportion of young persons that own outright in South Derbyshire is 4%, which is on par with the region (3%), however young person households that own with a mortgage or loan is higher in South Derbyshire (49%) as compared to the East Midlands (35%). This suggests that the ability for young people to get on the housing ladder is easier in South Derbyshire compared to the East Midlands.
- 10.5 There are currently 333 households headed by a young person (under the age of 35) on the Council's Housing Register. This equates to 51% of the 644 households on the Housing Register. The applicants have recorded the number of people in households and there is a total of 911 individuals distributed in the 333 households.

- 10.6 The Housing Register reports that 45.3% of all 644 applicants require a 1-bedroom, 39.1% for a 2-bedroom, 11.5% for a 3-bedroom, 4.2% for a 4-bedroom or more.
- 10.7 Council data shows that in South Derbyshire in 2017/2018, acceptance of a full duty decision to homeless households was relatively high (around 120 households, or 2.92%) when compared to the County (1.84%) and the country (2.41%). There are very few incidences of rough sleeping recorded within the District.
- 10.8 Around 25% of homeless acceptances in 2017/2018 were aged 16-24 and a further 52% were aged 25-44. The largest percentage of these were due to the termination of a private tenancy. Around two-thirds of homeless households had a dependent child.

Key Messages: Younger Households

- The proportion of young persons (under 35) renting privately in South Derbyshire is 30%, which is less than the East Midlands (37%) and England (41%).
- The proportion of young people living in affordable housing to rent in South Derbyshire is 12%, which is significantly lower than the East Midlands (20%).
- Conversely young person households that own with a mortgage or loan is higher in South Derbyshire (49%) than the East Midlands (35%). This suggests that the ability for young people to get on the housing ladder is easier in South Derbyshire compared to the East Midlands.
- There are currently 333 households headed by a young person (under the age of 35) on the Council's Housing Register. Of these the majority require a 1 or 2-bedroom homes.
- In 2017/18 around 120 households (2.92%) were accepted as homeless in South Derbyshire.. In comparison to the county (1.84%) and country (2.41%) the homelessness in South Derbyshire is relatively high. There are very few incidences of rough sleeping.
- The largest percentage of these was due to the termination of a private tenancy. Around two thirds of homeless households had a dependent child.

11 STUDENT HOUSEHOLDS

Introduction

- 11.1 This section of the report forms part of the analysis of the housing needs for specific groups. This section looks at a range of statistics in relation to student households in South Derbyshire.

Profile of Student Households

- 11.2 The 2011 Census reported that there were only 9 all-student households in South Derbyshire. This equated to 0.02% of all households in the District at the time and reflects the fact that there are no higher education facilities in South Derbyshire.

Provision of Student Accommodation

- 11.3 Burton and South Derbyshire College has two campuses, the Town Centre Campus at Burton on Trent in East Staffordshire Borough and Stephen Burke Construction Academy at Swadlincote in South Derbyshire.
- 11.4 Burton and South Derbyshire College is a general further education college and provides education for those aged 16 to 18. The number of enrolments at the campus located in South Derbyshire is unknown, however, the College offers places for international students with a cohort from across Europe and Asia.
- 11.5 The College does not provide student accommodation however they coordinate an international host program. Hosts provide a spare room and meals for international students and the cost to the student is £120 per week.
- 11.6 Derby University is located on Kedleston Road in Derby. Derby University has halls of residence across 12 accommodation buildings with 2,834 rooms ranging from bronze (£132 per week), silver (£140 per week) and gold (£145 per week) en-suite rooms, adapted rooms (£140 per week), studios (£156 per week) and 1-bedroom en-suite flats (£170 per week).
- 11.7 University halls of residence accommodation are available on either a 44-week contract or annual basis. The University estimates weekly living costs to be £165 to £200 in University halls and around £172 per week for those renting privately.
- 11.8 The University's location on the border of South Derbyshire and Derby City may contribute to future housing demand for student housing in settlements on the Derby fringe, particularly in the form of private rented housing. Although as evidenced, this was not the case in 2011.

Key Messages: Students

- There is only limited evidence of demand for student accommodation in South Derbyshire.
- Derby University is located close to the border with South Derbyshire and may in time result in some limited impact on housing demand in the District.
- At this moment there is no need for a specific policy to address the needs for students in the district.

12 SERVICE FAMILIES

Introduction

- 12.1 This section of the report forms part of the analysis of the housing needs for specific groups. This section looks at a range of statistics in relation to service families in South Derbyshire.

Profile of Service Families

- 12.2 According to MOD statistics, there are 10,430 military and civilians in the East Midlands region. However, the same source indicates that there are no military personal in South Derbyshire.
- 12.3 In the neighbouring local authority area of Derby, there are no military personal, however, there are 50 civilian personnel. The Council should engage with neighbouring local authorities through the Duty to Co-operate for any matter relating to housing need for service families.
- 12.4 South Derbyshire District Council signed the Armed Forces Covenant in March 2019. It is a promise by the nation to ensure that those who serve or who have served in the armed forces, and their families, are treated fairly. The Covenant is designed to ensure that Armed Forces, Veterans and their families receive fair treatment and not disadvantaged because of their Service.
- 12.5 As part of the signed Armed Forces Covenant, South Derbyshire District Council has appointed an Armed Forces Champions and Lead Officer and formed the Derbyshire Armed Forces Covenant Partnership Board which meets to discuss the Covenant and Action Plan.
- 12.6 The UK Government have an Armed Forces Covenant Fund of £10 million which is open to organisations, groups and individuals who can demonstrate their proposal to strengthen the aims of the Covenant.
- 12.7 The Council's Housing Officers liaise with the Armed Forces community to ensure timely and accurate information is given and received regarding the movement of Service personnel and their housing needs and aspirations.
- 12.8 The Allocation of Housing (Qualification Criteria for Armed Forces) (England) Regulations ensure that local authorities cannot use local connection criteria to exclude service personnel (including bereaved spouses or civil partners and veterans) from joining their housing register. This prevents service

personnel from suffering disadvantage from any 'residence' based criteria chosen by the Local Authority in their allocations policy.

Key Messages: Service Families

- There is only limited evidence of any demand from Service Families in South Derbyshire.
- South Derbyshire District Council signed the Armed Forces Covenant in March 2019. It is a promise by the nation to ensure that those serve or who have served in the armed forces, and their families, are treated fairly.
- At this moment there is no need for a specific policy to address the needs for service families in the district.

13 SELF AND CUSTOM-BUILD

Introduction

- 13.1 This section of the report provides an overview of the self and custom build registry in South Derbyshire.
- 13.2 Housing needs assessments should investigate the contribution that self-build makes toward the local supply. Laying the Foundations – a Housing Strategy for England 2010¹⁵ sets out that one in 10 new homes in Britain was self-built in 2010 – a lower level than in other parts of Europe. It identifies barriers to self or custom-build development as including:
- A lack of land.
 - Limited finance and mortgage products.
 - Restrictive regulation; and
 - A lack of impartial information for potential custom home builders.
- 13.3 The Government aspires to make self-build a ‘mainstream housing option’ by making funding available to support self-builders and by asking local authorities to champion the sector. Up to £30m of funding has been made available via the Custom Build programme administered by Homes England to provide short-term project finance to help unlock group custom build or self-build schemes. The fund can be used to cover eligible costs such as land acquisition, site preparation, infrastructure, S106 planning obligations etc.
- 13.4 In accordance with The Self-build and Custom Housebuilding (Register) Regulations 2016, since April 2016, each local authority is required to keep a register of individuals and associations of individuals seeking to acquire serviced plots of land in their area for the construction of self or custom build homes. The Self-build and Custom Housebuilding Act (2015) (as amended) places a duty on relevant bodies to have regard to the register when carrying out their planning, housing, land disposal and regeneration functions and to give planning permission to enough serviced plots of land to meet demand.

Self and Custom-built in South Derbyshire

- 13.5 In South Derbyshire District, as at 30 October 2018, there were 32 individuals on the self and custom build register. By June 2019 this figure had risen to 47, of whom 42% were aged between 50-60 years, 29% aged 30-40 years and 22% aged 40-50 years.
- 13.6 The addresses of those registered were distributed evenly across the region with 72% located in somewhere Derbyshire.

¹⁵https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/7532/2033676.pdf

- 13.7 It should be borne in mind that registers may give a misleading impression as people can sign up in more than one local authority, thus potentially overstating the overall level of demand.
- 13.8 Between 31 October 2016 and 30 October 2017, planning consent was granted for 21 self or custom build dwellings, of which 4 were for conversions of existing structures to a dwelling. Between 31 October 2017 and 30 October 2018, planning consent was granted for a further 28 dwellings, of which 11 were for conversions. The data does not identify the bedroom split for each dwelling.
- 13.9 This would suggest that there is not a need for a specific policy to address the identified demand for self and custom build.

Key Messages: Custom and Self-Build

- In June 2019, there were 47 individuals on the Council's self and custom-build register.
- Between 31 October 2016 and 30 October 2017, planning consent was granted for 21 self or custom build dwellings.
- This would suggest that there is not a need for a specific policy to address the identified demand for self and custom build.

14 CONCLUSIONS

- 14.1 GL Hearn has been commissioned by South Derbyshire District Council to carry out an update to their Strategic Housing Market Assessment in light of the publication of the National Planning Policy Framework (NPPF) (2018 and subsequently 2019). The purpose of this document is to examine the overall housing need and the appropriate housing mix in South Derbyshire.

Housing Need

- 14.2 The standard method seeks to simplify the approach to calculating housing need and has three components or steps:
- Starting Point – based on household projections
 - Affordability Adjustment – Based on local house price ratio; and
 - Capping the Increase - To ensure it is deliverable
- 14.3 The starting point is the 2014-based household projections. As per the PPG, we have examined household growth in the period 2019 to 2029. As set out in the table below, over this period the 2014-based projections show a household growth of 4,660 households (466 per annum).
- 14.4 The standard method then seeks to adjust the demographic baseline based on local affordability. In 2018, the median workplace-based affordability ratio in South Derbyshire was 6.96. Based on the formula set out in the PPG, the adjustment factor in South Derbyshire is 0.185 or 18.5%.
- 14.5 Applying this additional 18.5% to the 2014-based household projections over the 2019-2028 period would take the housing need to 552 per annum as the table below sets out.

Table 47: Housing Need Derived from Baseline and Affordability Adjustment

	Household Change (19-29)	Step 2 Output
2019-2029	4,660	552

Source: ONS and DHCLG, 2016 and 2018

- 14.6 Step 3 of the standard method caps the increase a local authority can face. For areas such as South Derbyshire where the Local Plan is less than 5 years old a 40% cap is applied to housing target. In South Derbyshire, the Local Plan target is already higher 12,618 (742 dpa) than the outputs of Stage 2, therefore no cap is applied.
- 14.7 However, the Council are taking a positive step by maintaining the annual housing requirement (742 dpa) as set out in the current Local Plan over the 2011 to 2028 period. This is compliant with the PPG which encourages local authorities to exceed the minimum need based on taking unmet need from neighbouring authorities.

- 14.8 At July 2019, total dwelling completions since the start of the plan period in South Derbyshire were 4,981. This results in a residual need for 7,633 dwellings for the remaining plan period, which is used to inform this report.

Affordable Housing Need

- 14.9 The report has considered the net need for affordable rented housing; using the Basic Needs Assessment Model as set out in the PPG. Using the residual housing need figure, the analysis calculates an overall gross need for affordable rented housing of 325 per annum in South Derbyshire (as rounded).
- 14.10 This includes a rounded need of 106 in the Derby Fringe sub-area, 162 in the Swadlincote and South sub-area and 58 in the North West sub-area. This includes some need from newly forming households, including those moving from Derby as a result of the City's unmet need.
- 14.11 The scale of the affordable housing need equates to around 39% of the overall housing requirement, thus, even delivering the current policy 30% of housing being affordable, would result in a shortfall. There is no requirement for the affordable housing need to be met in full, it may, however, justify the Council doing one or more of the following:
- Consider increasing overall housing delivery to deliver more affordable homes.
 - At Local Plan review, consider increasing the affordable housing contributions above the current required 30% where it is viable to do so.
 - At Local Plan review consider seeking affordable housing contributions from a smaller site threshold (currently set at 15 units or more) where this is viable to do so.
- 14.12 In terms of affordable home ownership, modelling found a surplus in South Derbyshire District (-22). However, at a sub-area level the net need is 25 dwelling per annum for Derby Fringe and 2 dwellings per annum for North West. The Swadlincote and South sub-area generates a surplus (-49) for affordable home ownership. This would indicate that the Council would not need to exceed the recommended 10% as set out in the NPPF.
- 14.13 Neither of these figures is an absolute requirement but are broad targets for the Council to aim to meet as best as they can. The scale of need also justifies seeking as much affordable housing as viably possible.
- 14.14 The calculated surplus of low-cost home ownership products could justify the Council seeking to challenge the government's stated target of "at least 10% of the homes to be available for affordable home ownership". This is because it could potentially be unneeded but may also prejudice the delivery of affordable housing for specific groups.

Tenure Mix

- 14.15 In analysing the need for housing of different tenures, it needs to be recognised that there are a series of choices to be made regarding the provision of new affordable housing; essentially a trade-off between the affordability of accommodation and the number of homes that can viably be provided.
- 14.16 To aid the decision-making process regarding these choices, the following tenure split could be used as a starting point. This is based on the current policy seeking 30% affordable housing on schemes with over 15 dwellings and the Government's stated target of 10% affordable home ownership:
- 70% market
 - 10% affordable home ownership
 - The majority of which should be shared ownership
 - 20% social/affordable rented
 - Of which 33% is rented affordable housing; and
 - 67% is social rental housing.
- 14.17 However, this comes with a series of caveats including the viability of providing different types of affordable housing.
- 14.18 Further, the cost of affordable home ownership properties can sometimes exceed those of lower-cost market homes, and thus, cannot be truly considered as "affordable", albeit they might be recognised as such by the Government.
- 14.19 Finally, there is no strong need for affordable home ownership products in the district. However, there is Government guidance seeking this number.

Need for Different Types and Sizes of Homes

- 14.20 The modelling outputs provide an estimate of the proportion of homes of different sizes that are needed, there is a range of factors which should be considered in setting policies for provision. These factors are considered in our recommendations below:
- 14.21 The mix of affordable housing to rent sought through development at a district-wide level is presented in the table below.

Table 48: Affordable Housing to Rent

Bedrooms	Suggested Mix
1-bedroom	25-30%
2-bedroom	35-40%
3-bedroom	25-30%
4-bedroom	5-10%

Source: GLH Modelling based on ONS Data

- 14.22 The strategic conclusions recognise the role in which the delivery of larger family homes can play in releasing a supply of smaller properties for other households and the limited flexibility which one-bed properties offer to changing household circumstances, and the follow on implications such as higher turnover and management issues. However, this needs to be balanced against the issue of single people under 35 years old only being eligible to claim benefits for a room in a shared house and the evidenced rise of HMOs.
- 14.23 The need for affordable housing of different sizes will vary by area (at a more localised level) and overtime. In considering the mix of homes to be provided within specific development schemes, the Council should consider the details of households currently on the Housing Register expressing preference for the local area, the existing stock levels and turnover of these properties, and the anticipated future delivery should all be considered when determining the best mix on an individual site.
- 14.24 The provision of affordable home ownership should be more explicitly focused on delivering smaller housing for the rise of households with dependent children (approximately 18% change by 2028) and the rise of other households, primarily comprising of shared households (approximately 19% change by 2028). On this basis, the following mix of affordable home ownership housing is suggested:

Table 49: Affordable Home Ownership Housing

Bedrooms	Suggested Mix
1-bedroom	10-15%
2-bedroom	40-45%
3-bedroom	35-40%
4-bedroom	5-10%

Source: GLH Modelling based on ONS Data

- 14.25 In the market sector, a balance of dwellings is suggested that takes account of both the demand for homes and the changing demographic profile. The following mix of market housing is suggested:

Table 50: Market Housing

Bedrooms	Suggested Mix
1-bedroom	0-5%
2-bedroom	20-25%
3-bedroom	50-55%
4-bedroom	20-25%

Source: GLH Modelling based on ONS Data

- 14.26 The identified housing mix should inform strategic planning and housing policies. In applying recommended housing mix to individual development sites, regard should be had to the nature of the

development site and character of the area, and up-to-date evidence of need as well as the existing mix and turnover of properties at the local level.

- 14.27 These figures can, however, be used as a monitoring tool to ensure that future delivery is not unbalanced when compared with the likely requirements as driven by the demographic change in the area or linked to macro-economic factors and local supply.

Older Person Housing Needs and Disability Groups

- 14.28 The Housing Needs Assessment indicates that the number of residents aged over 65 in South Derbyshire is forecast to increase by approximately 28% over the period to 2028 based on the residual local housing requirement.
- 14.29 Due to a growing older population and increasing life expectancy, there is a clear need to accommodate households that require adaptations to properties to meet their changing needs whilst others may require more specialist accommodation or support.
- 14.30 Based on the older persons analysis in the previous section, there is clear evidence of the need for properties which are capable of accommodating people's changing needs.
- 14.31 There is a current demand for 1,038 housing with care and housing with support beds (C3). This includes both housing for rent and private leasehold housing. There is a current demand for 433 nursing care beds (C2) and 389 residential care beds (C2).
- 14.32 Projecting these prevalence rates forward to 2028, the growing older population results in a deficit for housing with care and housing support (housing to rent and private leasehold) is 720. There is a deficit of 277 nursing care beds (C2) and a surplus of residential care (C2) of -77.

Table 51: Older Person's Dwelling and Care Bedspace Requirements 2019 – 2028

		Current supply	2019 Demand	Current shortfall/ (surplus)	Additional demand to 2028	Shortfall/ (surplus) by 2028
Housing with support (C3)	Rented	720	345	-375	197	-178
	Leasehold	31	563	532	320	852
Housing with care (C3)	Rented	53	59	6	59	65
	Leasehold	160	71	-89	70	-19
Total (dwellings)		964	1,038	74	646	720
Nursing care (C2)		351	433	82	196	277
Residential care (C2)		501	389	-112	35	-77

Source: Derived from demographic projections and Housing LIN/HOPSR/EAC

- 14.33 Registered care provision falls within a C2 use class, with households who live in care homes counted as part of the institutional rather than the household population. As such provision of residential care is treated separately in the analysis of this report from that for C3 dwellings (and is separate to the C3 housing OAN).
- 14.34 Given older persons aged over 65 in South Derbyshire is forecast to increase by approximately 28% over the period to 2028, based on the residual local housing requirement, decisions about the appropriate mix of specialist housing should take account of the current stock, other local needs evidence as appropriate, and policies regarding accommodation and care.
- 14.35 We have also calculated an “unmet need” for 133 wheelchair accessible households. This is expected to increase by a further 229 over the plan period. This would suggest that the Council should seek to deliver around 5-10% of all new homes as M4(3) properties. This would address the backlog need and the future need.
- 14.36 The data also highlights significant growth in those with dementia and those with mobility problems of all ages. This would justify the Council seeking to increase the number of M4(2) accessible homes as much as viably possible.

Other Groups

- 14.37 There has been significant growth in the number of households living in privately rented accommodation (153%) between 2001 and 2011. Over the same period, there was a 58% increase in the number of HMOs in the district. There are currently 333 households headed by a young person (under the age of 35) on the Council's Housing Register. Of these, the majority require a 1 or 2-bedroom homes.
- 14.38 The South Derbyshire Homelessness Prevention Strategy (2013) reported that during the 2011/12 period, 44% (30 people) of homeless cases were people aged between 16-24 years and 78% were aged between 25 and 44 years.
- 14.39 To address all of these issues, the Council may wish to consider a higher rate of delivery for smaller affordable rented accommodation.
- 14.40 Although the proportion of young persons (under 35) renting privately in South Derbyshire (30%) is less than the East Midlands (37%) and England (41%), In addition, the percentage of young persons with a mortgage is higher in South Derbyshire (49%) than the East Midlands (35%).
- 14.41 This suggests that the ability for young people to get on the housing ladder is easier in South Derbyshire compared to the East Midlands.

- 14.42 There are no higher education facilities in the District and there has historically been virtually no demand from all student households. We do not anticipate any demand from build to let developers but any proposal for this type of development should be treated on their own merits.
- 14.43 Similarly, we do not anticipate demand from service families in the district.
- 14.44 In June 2019 in South Derbyshire District there were 47 individuals on the self and custom build register. This would suggest that there is not a need for a specific policy to address the identified demand for self and custom build.

15 RECOMMENDATIONS

15.1 Chapter 5 of the South Derbyshire Local Plan (2016) establishes strategic policies for housing. The policies addressing the strategic direction for affordable housing are **Policy H20, Housing Balance** and **Policy H21 Affordable Housing and the Affordable Housing SPD**. This section outlines potential policy modifications that could be considered in response to the identified housing need in this report.

15.2 Policy H20 Housing Balance states that:

- A) The Council will seek to provide a balance of housing that includes a mix of dwelling type, tenure, size and density. The overall mix of housing will take account of the Strategic Housing Market Assessment and Local Housing Needs Study.
- B) The density of any site will be considered individually as there is no evidence to support a set density across all sites.
- C) Any housing development would be expected to make the most efficient use of the land whilst taking into account what is appropriate for the surrounding local built and natural environment.
- D) The viability of a development will be considered through determining a schemes housing mix.
- E) The Council will also promote a mix of housing that is suitable and adaptable for different groups of people such as single occupiers, people with disabilities, people wanting to build their own homes and the ageing population of the District.

15.3 GL Hearn recommends that the type of tenure and size mix set out in the table below is used to apply Policy H20.

Table 52: Size Mix Recommendations by Tenure

	1-bed	2-bed	3-bed	4+-bed
Market	0-5%	20-25%	50-55%	20-25%
Affordable home ownership	10-15%	40-45%	35-40%	5-10%
Affordable housing (rented)	25-30%	35-40%	25-30%	5-10%

Source: GL Hearn, 2020

15.4 Consideration should be given to the nature of the development site, the character of the area and up-to-date evidence of need, as well as the existing mix and turnover of affordable properties at the sub-market or sometimes, ward or parish level when implementing the recommended mix. There is no justification to move away from this recommended mix at a sub-area level.

15.5 In response to Policy H20E the evidence would justify the Council seeking to develop a policy for accessible and wheelchair accessible dwellings. It is recommended that this policy should seek to deliver, across all tenures, as many M4(2) (accessible and adaptable) compliant homes as viably possible and for 5-10% of all new homes to be M4(3) (wheelchair user) compliant through the application of Policy H20.

- 15.6 However, the policy should be flexible enough to recognise that some developments, because of their built form and/or topography may not be suitable for this type of development.
- 15.7 The policy should also support the need for other specialist accommodation for older persons, in particular, the need for nursing care, housing with care to rent and housing with support in the private sector to meet evidenced need.
- 15.8 The Council should also seek to include the provision of specialist accommodation within their housing land supply. Age-restricted housing, retirement living, sheltered housing, extra-care housing or housing with care are usually awarded the use class designation of C3. As a result, each unit completed counts as a completion on a 1-for-1 basis. However, residential care and nursing care fall under use class C2 and should be calculated on a ratio of 1 for every 1.85 bedspace completed.
- 15.9 Policy H21 Affordable Housing states that:
- A) The Council will seek to secure up to 30% of new housing development as affordable housing as defined in the NPPF on sites over 15 dwellings.
 - B) Consideration will be given to the:
 - Local housing market;
 - The viability of any proposed scheme which will be assessed through independent viability assessments;
 - The tenure mix and dwelling type on the site will be based on the SHMA or other up to date housing evidence in conjunction with the Council;
 - The phases of development that are being proposed.
 - Rural exception sites that are kept in perpetuity as affordable housing for local people will be permitted adjoining existing Key Service Villages, Local Service Villages and Rural Villages, the number of dwellings to be in accordance with Policy H1 as an exceptional circumstance to the normal policy where:
 - The homes meet a clearly identified local need;
 - The development provides a majority of affordable homes;
 - The need cannot reasonably be met within the development limits of the village concerned or the sub-market area on the site falls within as detailed in the SHMA; and
 - The development is on a scale relative to the settlement size and facilities available particularly public transport and does not have any unacceptable adverse impacts on the natural and built environment.
- 15.10 Based on the evidence of need for affordable rental housing contained within this report, the Council should consider assessing (through viability testing) an increase in the level of affordable housing contributions above the current 30% requirement, and further should also consider reducing the threshold from which developments become eligible to contribute to affordable housing to 10 dwellings or more.

- 15.11 It is recommended that A) be updated to reflect the updated widened affordable housing definition set out in the NPFF. This would incorporate 10% of major developments (above 10 dwellings) being delivered as affordable home ownership.
- 15.12 However, there is good reason for the Council to potentially challenge this requirement as the delivery of affordable home ownership products, for which there is limited demand, could prejudice the delivery of affordable housing to rent.
- 15.13 If the Council does decide to provide 10% of all housing as affordable home ownership, then it is suggested that shared ownership is the most appropriate option.
- 15.14 On a sub-area level, the Council should seek to deliver any affordable home ownership properties within the Derby Fringe Sub Area as this is the only sub-area with any identified demand. This would require the current policy to be adjusted to reflect this.
- 15.15 GL Hearn recommends that this policy elaborates on the first point *local housing market* under B) to include the need to consider the price points for affordable housing. For low-cost home ownership products (starter homes and discount market sale), it is recommended that the Council considers setting prices at a level which, in income terms, are equivalent to the levels needed to access private rented housing and are truly affordable. These thresholds are set out below:

Table 53: Range of Prices by Size of Property for Affordable Home Ownership Tenures

		1-bedroom	2-bedroom	3-bedroom	4+bedroom
South Derbyshire	Lower limit	-	-	£130,000	£184,000
	Upper limit	£72,000	£102,000	£136,000	£234,000

Source: GL Hearn based on VOA Data, 2020

- 15.16 Based on evidence within this report, it is clear that there is a greater need for social rented housing above affordable rented housing, and therefore a mix of 33% delivered as affordable rented housing and 67% delivered as social rental housing is recommended.
- 15.17 Should the Council choose to impose restrictions on access to social housing within their Allocations Policy, based on household income thresholds, then these thresholds should be set at no less than £40,000. This is in line with affordability within the Derby Fringe sub-area. However, strong consideration should also be given to increasing this threshold. This will ensure that households do not fall in between the gaps and that larger households are not treated unfairly.

Table 54: Earnings Requirement for Different Tenures

	Entry Level Purchase Price	Entry Level Private Rent
Derby Fringe	£40,000	£25,700
Swadlincote and South	£25,400	£21,200
North West	£33,600	£23,800
South Derbyshire	£30,200	£22,700

Source: GL Hearn based on VOA and HMLR data, 2020

- 15.18 We do not consider there to be a specific need to generate a policy for students, build to rent or service personnel and their families.
- 15.19 While the need for custom and self-build is relatively low and there appears to be delivery of such homes without existing policy, the Council could seek a small percentage of such plots on the very largest allocations (+500 units).

APPENDIX A: ANALYSIS TO 2036

The main report has considered needs in the 2019 to 2028 period, this being the remainder of the Local Plan. It is also of interest to look at needs over a longer period with the analysis in this appendix providing key tables from the report for the 2019-36 period.

Over this longer period, it is considered that housing delivery can be linked to the Standard Method, which as shown earlier in the report is to provide 552 dwellings per annum (this would be 9,384 dwellings in total over the 17-years to 2036).

On a per annum basis, this reduces the long-term need and is in part, a result of not requiring to meet Derby City's need beyond the Plan Period, unless there is further agreement to do so. Despite being over a period which is 8 years longer than the Plan Period, the population growth is only 717 greater.

Table 55: Population Change by Five-Year Age Bands in South Derbyshire (2019 to 2036)

	Population 2019	Population 2036	Change in population	% Change
Under 5	5,920	6,312	392	6.6%
5-9	6,374	6,629	255	4.0%
10-14	6,346	7,023	677	10.7%
15-19	5,700	6,538	837	14.7%
20-24	5,242	5,589	347	6.6%
25-29	6,537	6,661	124	1.9%
30-34	6,608	6,669	62	0.9%
35-39	6,939	7,520	580	8.4%
40-44	6,551	7,915	1,364	20.8%
45-49	7,776	8,360	584	7.5%
50-54	8,375	7,912	-462	-5.5%
55-59	7,385	7,285	-100	-1.4%
60-64	6,131	7,449	1,318	21.5%
65-69	5,758	8,239	2,481	43.1%
70-74	5,534	7,457	1,923	34.7%
75-79	3,640	5,608	1,968	54.1%
80-84	2,422	4,168	1,746	72.1%
85+	2,182	4,460	2,279	104.4%
Total	105,419	121,795	16,377	15.5%

Source: Demographic projections

The increasing population is minimal; however, it is ageing at a greater rate. As a result, the number of jobs that will be supported over the longer term will be lower.

Table 56: Change in the Economically Active Population (2019 to 2036)

	Economically active (2019)	Economically active (2036)	Change
Standard Method	56,789	63,768	6,979

Source: GLH modelling

Table 57: Jobs Supported by Growth in the Economically Active Population (2019 to 2036)

	Total change in economically active	Allowance for net commuting	Allowance for double jobbing (= jobs supported)
Standard Method	6,979	4,957	5,197

Source: GLH Modelling

The affordable housing need is also significantly lower over the longer term. This is a result of the current need being met over a longer period as well as the number of newly forming households slowing. The need for affordable home ownership products also reduces further for the same reason.

Table 58: Estimated Annual Level of Affordable Housing Need (per annum) (2019 to 2036)

	Social/affordable rented	Affordable home ownership
Current need	32	8
Newly forming households	343	120
Existing households falling into need	133	24
Total Gross Need	507	152
Re-let Supply	263	218
Net Need	244	-66

Source: Census (2011)/CoRe/Projection Modelling and affordability analysis

Table 59: Projected Change in Households by Age of Household Reference Person (2019 to 2036)

	Households 2019	Households 2036	Change in households	% Change
16-24	1,067	1,205	138	13.0%
25-29	2,582	2,772	190	7.4%
30-34	3,164	3,214	50	1.6%
35-39	3,617	3,917	299	8.3%
40-44	3,628	4,468	841	23.2%
45-49	4,417	4,707	289	6.6%
50-54	4,873	4,516	-357	-7.3%
55-59	4,283	4,234	-49	-1.1%
60-64	3,605	4,532	927	25.7%
65-69	3,569	5,067	1,498	42.0%
70-74	3,611	4,891	1,281	35.5%
75-79	2,511	3,785	1,273	50.7%
80-84	1,810	3,002	1,192	65.8%
85 & over	1,534	3,073	1,538	100.3%
Total	44,272	53,382	9,111	20.6%

Source: Demographic projections

Table 60: Change in Household Types in South Derbyshire (2019 to 2036)

	2019	2036	Change	% Change
One-person household (aged 65 and over)	4,781	5,855	1,074	22.5%
One-person household (aged under 65)	6,922	8,717	1,795	25.9%
Couple (aged 65 and over)	6,593	11,130	4,537	68.8%
Couple (aged under 65)	7,385	6,273	-1,112	-15.1%
A couple and one or more other adults: No dependent children	3,346	3,427	81	2.4%
Households with one dependent child	6,231	7,602	1,372	22.0%
Households with two dependent children	5,041	5,499	458	9.1%
Households with three dependent children	1,873	2,107	234	12.5%
Other households	2,101	2,772	671	32.0%
Total	44,272	53,382	9,111	20.6%
Total households with dependent children	13,145	15,209	2,064	15.7%

Source: Demographic projections

There is not a significant difference in the housing mix over the longer terms. Over the longer term, the Council may wish to reduce the number of larger dwellings and marginally increase the number of 2 -bedroom homes. This is the same across all tenures and reflects the slightly ageing population as shown below. This likely to result in an increased need for specialist accommodation for older people.

Table 61: Mix of Housing by Size and Tenure – Standard Method Housing Need (2019 to 2036)

	1-bedroom	2-bedrooms	3-bedrooms	4+ -bedrooms
Market	2%	30%	48%	20%
Affordable home ownership	14%	43%	35%	8%
Affordable housing (rented)	28%	40%	30%	2%

Source: Housing Market Model

Table 62: Projected Change in Population of Older Persons (2019 to 2036)

	2019 population	2036 population	Change in population	% Change
Under 65	85,883	91,863	5,980	7.0%
65-74	11,292	15,696	4,404	39.0%
75-84	6,062	9,776	3,714	61.3%
85+	2,182	4,460	2,279	104.4%
Total	105,419	121,795	16,377	15.5%
Total 65+	19,535	29,932	10,397	53.2%

Source: GLH amendments to ONS subnational population projections (2016-based)

The tables below show projected changes to the number of people with a range of health problems/disabilities. This has been drawn from POPPI and PANSI data which only provide figures up to 2035 (rather than 2036).

Table 63: Projected Changes to the Population Aged 65 and Over with a Range of Disabilities (2019 to 2035)

Disability	2019	2035	Change	% change
Limiting long term illness whose day-to-day activities are limited a little	5,169	7,639	2,470	47.8%
Limiting long term illness whose day-to-day activities are limited a lot	4,753	7,415	2,662	56.0%
Depression	1,642	2,432	790	48.1%
Severe depression	513	785	272	53.0%
Dementia	1,195	2,044	849	71.0%
Longstanding health condition caused by a heart attack	941	1,402	461	49.0%
Longstanding health condition caused by a stroke	444	670	226	50.9%
Longstanding health condition caused by bronchitis and emphysema	328	484	156	47.6%
Predicted to have a fall	4,976	7,660	2,684	53.9%
Predicted number of hospital admissions due to falls	562	938	376	66.9%
Bladder problem less than once a week	608	931	323	53.1%
Bladder problem at least once a week	3,071	4,690	1,619	52.7%
Moderate or severe visual impairment	1,625	2,526	901	55.4%
Some hearing loss	11,549	18,458	6,909	59.8%
Severe hearing loss	1,416	2,570	1,154	81.5%
Unable to manage at least one activity on their own	3,301	5,318	2,017	61.1%
With a BMI of 30 or more	5,113	7,314	2,201	43.0%
Diabetes	2,421	3,555	1,134	46.8%
Learning disability	407	601	194	47.7%
Moderate or severe learning disability	56	80	24	42.9%
Autistic spectrum disorders	184	271	87	47.3%

Source: POPPI

Overall, the longer-term projections show a slowing level of growth and an ageing population. As a result, there would be a shift in mix towards smaller homes and a greater need for specialist accommodation.

The affordable housing need also falls over this period which may need considering when setting targets within the next iteration of the Local Plan.

APPENDIX B: Glossary of Terms

Affordability¹⁶

The terms 'affordability' and 'affordable housing' have different meanings. 'Affordability' is a measure of whether housing may be afforded by certain groups of households. 'Affordable housing' is defined below.

Affordability Ratio

Assessing affordability involves comparing house costs against the ability to pay. The ratio between house prices and income or earnings can be used to assess the relative affordability of housing. The Ministry for Housing, Community and Local Governments publishes the ratio of lower quartile and median house price to earnings by local authority

Affordable Housing

The latest definition of affordable housing can be found in Annex 2: Glossary on page 64 of NPPF¹⁷. This defines it as "housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers)"

Affordable Rented Housing

Rented housing let by registered providers of social housing to households who are eligible. Affordable Rent is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80% of the local market rent (Including service charges, where applicable).

Annual Monitoring Report

A report submitted to the Government by local planning authorities assessing progress with and the effectiveness of a Local Development Framework.

Bedroom Standard¹⁸

A measure of occupancy (whether a property is overcrowded or under-occupied, based on the number of bedrooms in a property and the type of household in residence).

¹⁶<http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

¹⁷

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/810197/NPPF_Feb_2019_revised.pdf

¹⁸ <https://www.gov.uk/government/publications/english-housing-survey-2011-to-2012-headline-report>

Concealed Families (Census Definition)¹⁹

The 2011 Census-defined a concealed family as one with young adults living with a partner and/or child/children in the same household as their parents, older couples living with an adult child and their family or unrelated families sharing a household. A single person cannot be a concealed family; therefore one elderly parent living with their adult child and family or an adult child returning to the parental home is not a concealed family; the latter are reported in an ONS analysis on increasing numbers of young adults living with parents.

Equity Loans/Shared Equity

An equity loan which acts as a second charge on a property. For example, a household buys a £200,000 property with a 10% equity loan (£20,000). They pay a small amount for the loan and when the property is sold e.g. for £250,000 the lender receives 10% of the sale cost (£25,000). Some equity loans were available for the purchase of existing stock. The current scheme is to assist people to buy a new build home.

Extra Care Housing²⁰

New forms of older person housing have been pioneered in recent years, to cater for older people who are becoming frailer and less able to do everything for themselves. Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing typically have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as enhanced sheltered housing or assisted living. Domestic support and personal care are available, usually provided by on-site staff. Properties can be rented, leased, owned or part-owned/part rented.

Household Reference Person (HRP)

The concept of a Household Reference Person (HRP) was introduced in the 2001 Census (in common with other government surveys in 2001/2) to replace the traditional concept of the head of the household. HRPs provide a person within a household to act as a reference point for producing further derived statistics and for characterising a whole household according to characteristics of the chosen reference person. HRP also features in the household formation rate when examined as the percentage of people of a given sex and age who are HRP.

Housing Size (Census Definition)

Housing size can be referred to either in terms of the number of bedrooms in a home (a bedroom is defined as any room that was intended to be used as a bedroom when the property was built, any rooms permanently converted for use as bedrooms); or in terms of the number of rooms, excluding bathrooms, toilets halls or

¹⁹ http://webarchive.nationalarchives.gov.uk/20160107160832/http://www.ons.gov.uk/ons/dcp171776_350282.pdf

²⁰ <http://www.housingcare.org/jargon-extra-care-housing.aspx>

landings, or rooms that can only be used for storage. All other rooms, for example, kitchens, living rooms, bedrooms, utility rooms, studies and conservatories are counted.

Housing Type (Census Definition)

This refers to the type of accommodation used or available for use by an individual household, including detached, semi-detached, terraced including end of terraced, and flats. Flats are broken down into those in a purpose-built block of flats, in parts of a converted or shared house, or a commercial building.

Housing Tenure (Census Definition)

Tenure provides information about whether household rent or own the accommodation that it occupies and, if rented, combines this with information about the type of landlord who owns or manages the accommodation. If owner-occupied where it is owned outright or with a loan or mortgage.

Lower Quartile

The bottom 25% value, i.e. of all the properties sold, 25% were cheaper than this value and 75% were more expensive. The lower quartile price is used as a proxy for entry-level price and is the recommended level used to evaluate affordability, for example for first-time buyers.

Market Housing (PPG Definition)

Market housing is housing which is built by developers (which may be private companies or housing associations, or Private Registered Providers), for sale (or rent) on the open market. It is the opposite of affordable housing.

Mean (Average)

The sum of all values divided by the number of values. The more commonly used “average” measure as it includes all values, unlike the median

Median

The middle value, i.e. of all the properties sold, half were cheaper and half were more expensive. This is sometimes used instead of the mean average as it is not subject to skew by very large or very small statistical outliers.

Older People

People over retirement age, including the active, newly-retired through to the very frail elderly, whose housing needs can encompass accessible, adaptable general needs housing for those looking to downsize from family

housing and the full range of retirement and specialised housing for those with support or care needs. Based on the Housing LIN definition we have defined this herein as those aged over 75.

Purchase Threshold (Income required to buy)

Purchase thresholds are calculated by netting 10% off the entry house price to reflect a purchase deposit. The resulting cost is divided by 4 to reflect the standard household income requirement to access mortgage products.

Private Rented

The Census tenure private rented includes a range of different living situations in practice, including HMOs. Around 20% of the private rented sector are in this category, which will have included some benefit claimants whose housing benefit at the time was paid directly to their landlord.

Rural Exception Sites

Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable units without grant funding.

Shared Ownership

Housing where a purchaser part buys and part rents from a housing association or local authority. Typical purchase share is between 25% and 75%, and buyers are encouraged to buy the largest share they can afford. Generally applies to new build properties, but re-sales occasionally become available. There may be an opportunity to rent at intermediate rent level before purchasing a share to save/increase the deposit level.

Sheltered Housing²¹

Sheltered housing is accommodation where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their front doors. They are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need.

Specialist Housing for the Elderly

Specialist housing for the elderly, sometimes known as specialist accommodation for the elderly/older persons, encompasses a wide range of housing types specifically aimed at older people, which may often be restricted

²¹ <http://www.housingcare.org/jargon-sheltered-housing.aspx>

to those in certain older age groups (usually 55+ or 65+). This could encompass a range of residential institutions, including care homes, sheltered housing, extra care housing, retirement housing and a range of other potential types of housing which has been designed and built to serve the needs of older people,

Social Rented Housing

Social rented housing is owned by local authorities and registered providers (as defined in Section 80 of the Housing and Regeneration Act 2008) for which guideline target rents are determined through the national rent regime²².

Supported housing

Supported housing brings together a range of dwelling types (and associated services) that enable a range of people to access suitable housing as well as live safely and securely in their own home. While older people are a prominent user group in the form of extra-care and sheltered housing, other groups include victims of domestic violence, the homeless, people with mental health needs and those with people with learning disabilities

²² <http://www.communities.gov.uk/documents/planningandbuilding/doc/1980960.doc#Housing>

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REPORT TO:	ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE	AGENDA ITEM: 8
DATE OF MEETING:	5th MARCH, 2020	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (SERVICE DELIVERY)	OPEN
MEMBERS' CONTACT POINT:	RICHARD GROVES, 01283 595738 richard.groves@south-derbys.gov.uk	DOC: s/Local/Plans/Committee Reports
SUBJECT:	EAST MIDLANDS AIRPORT INFORMATION MEETINGS	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: EDS03

1.0 Recommendations

- 1.1 That the Chair and Vice Chair of Environmental and Development Services Committee, an elected member to represent the wards most affected by activity at East Midlands Airport (EMA) and an elected member to represent the opposition party be authorised to attend meetings annually with representatives of EMA to discuss on-going matters of mutual interest.

2.0 Purpose of the Report

- 2.1 To seek authorisation for Elected Members to attend meetings annually with representatives of EMA to discuss on-going matters of mutual interest.

3.0 Detail

- 3.1 The close proximity of EMA to South Derbyshire means that it has a substantial bearing on the wellbeing of the district in terms of direct employment and training provision, the attraction and retention of business activity, the provision of surface and air transport services used by local residents and environmental impacts, including noise.
- 3.2 At Environmental and Development Services Committee of 3 June 2008, elected members were nominated to attend meetings with EMA representatives with a view to enabling the Council and EMA to maintain a clear understanding of continually evolving matters of mutual interest (minute EDS/4 refers).
- 3.3 Meetings have since taken place annually as planned, however changes in the Council membership mean that a new resolution is required to enable a continuation of these arrangements.

4.0 Financial Implications

- 4.1 None.

5.0 Corporate Implications

- 5.1 **Employment Implications:** Meetings will continue to be arranged and held with officer support using existing staff resources.

- 5.2 **Legal Implications:** The main purpose of the meetings is to exchange information. Any matters raised that require formal resolutions will be the subject of further reports to Committee.
- 5.3 **Corporate Plan Implications:** Activity at EMA has implications for the strategic priorities and objectives contained in the Council's Corporate Plan in terms of improving the environment, encouraging and supporting business development and new investment in the district and supporting social mobility through employment training.
- 5.4 **Risk Impact:** A good understanding between the Council and EMA of their respective needs, aspirations and plans will assist the Council in optimising economic, environmental and amenity outcomes for South Derbyshire residents.
- 6.0 Community Impact**
- 6.1 **Consultation:** No consultation will arise directly from the EMA information meetings. EMA maintains dialogue with local communities and undertakes formal public consultation exercises when significant new plans and strategies are being prepared. South Derbyshire District Council is a consultee.
- 6.2 **Equality and Diversity Impact:** The exchange of information between EMA and the Council relating to matters affecting employment, training, the environment, transport and amenity will assist in meeting the diverse needs of established and future residents and non-residents across the District.
- 6.3 **Social Value Impact:** EMA is a significant direct employer and assists in attracting other investment to the surrounding area, thus assisting in maintaining and generating local employment. Airport related activity can also result in environmental and amenity impacts, including night-time noise, which can potentially present implications for public health and wellbeing.
- 6.4 **Environmental Sustainability:** The EMA Sustainable Development Plan seeks continuous improvement in environmental performance in order to maintain certification to the ISO14001 standard.
- 7.0 Conclusions**
- 7.1 The meetings have to date provided a valuable forum for the exchange of information, assisting both EMA and the Council in pursuing their respective objectives. To allow future changes to be made to the composition of the group without the need for further Committee resolutions it is proposed that, rather than nominating particular elected members to attend the meetings, the Committee should instead identify the positions to be filled, as set out in the recommendation at para. 1.1.
- 9.0 Background Papers**
"Sustainable Development Plan" East Midlands Airport, 2015

REPORT TO:	ENVIRONMENTAL AND DEVELOPMENT SERVICE COMMITTEE	AGENDA ITEM: 9
DATE OF MEETING:	5th MARCH 2020	CATEGORY:
REPORT FROM:	ALLISON THOMAS	OPEN
MEMBERS' CONTACT POINT:	KAREN BEAVIN, 01283 595749 karen.beavin@southderbyshire.gov.uk	DOC:
SUBJECT:	CONSULTATION ON DERBYSHIRE COUNTY COUNCIL'S DEVELOPER CONTRIBUTIONS PROTOCOL	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: EDS 17

1.0 Recommendations

- 1.1 That in responding to the consultation on the draft Derbyshire County Council Developer Contributions Protocol the Committee:
- welcomes the expansion of topics included within the Protocol
 - recognise the introduction of the planning obligations and travel plan monitoring fees
 - recognise the changes in formula for generating education contributions.

2.0 Purpose of the Report

- 2.1 To provide an overview of the consultation version of the Derbyshire County Council Developer Contributions Protocol (the Protocol) and recommend a response from the Council to the consultation, including the opportunity for Members to add further comments. Once the Protocol has been finalised, the District Council's own Guide for Developers on Section 106 Contributions will, subject to the approval of this Committee, then be revised to take account of the new Protocol.

3.0 Executive Summary

- 3.1 Derbyshire County Council is consulting on a revised Developer Contributions Protocol for the collection of planning obligations relating to County Council services. The revision follows recent changes to the Community Infrastructure Levy Regulations. Once finalised, the new Protocol would replace the current County Council Protocol (dated April 2019) and could be used in the determination of planning applications. The current County Council Protocol has been utilised by the District Council in order to satisfactorily mitigate the impacts of new development on the specified County Council services to make them acceptable in planning terms.

4.0 Detail

- 4.1 The Community Infrastructure Levy (CIL) Regulations were amended on 1 September 2019; these regulations affect the collection of Section 106 obligations, notably removing the restriction on pooling S106 contributions. Following these changes, Derbyshire County Council is revising its Developer Contributions Protocol in order to meet the needs arising from anticipated growth and development within the County. The areas now covered by the Protocol are as follows, with several new service areas added; topics **not new** to the Protocol are shown in brackets:
- Highways and Transport
 - (Education)
 - (Public Health and Adult Social Care)
 - Waste Services
 - Library Services
 - (Broadband)
 - Employment and Skills
- 4.2 The purpose of the Protocol is twofold: firstly, to set out the County Council's expectations as to how development will need to mitigate its impact with regard to the infrastructure and services delivered by the County Council, by detailing the type and level of contributions which may be sought by the County Council when consulted on planning applications; secondly, to support the Local Planning Authorities (LPAs) to incorporate contributions towards infrastructure requirements into their Local Plans in order to comply with Planning Practice Guidance.
- 4.3 The proposed new Protocol reduces the threshold for consulting the County Council on planning application to 10 or more dwellings (down from 11 or more) and refers now to site area rather than floorspace, which is more practicable for application stage.
- 4.4 The Protocol's S106 Legal Agreement Checklist remains largely unchanged from the previously agreed version, with the notable changes being the removal of reference to pooling restrictions and flexibility given to the recovery of legal fees from the developer.
- 4.5 The amended CIL Regulations introduce mandatory reporting on planning obligations through an annual Infrastructure Funding Statement, together with the provision to charge for the monitoring of S106 obligations through the S106 agreement itself. The Protocol proposes introducing this charge, referred to as the planning obligations management fee, which is based on the cumulative number of triggers the County Council will monitor within the agreement, multiplied by £70 (subject to annual increase on 1 April). This sum is calculated to meet the requirements for such fees as set out in the regulations.
- 4.6 The new Highways and Transport section includes obligations under Section 278, approvals under Section 38 (both under the Highways Act 1980), together with expectations for commuted sums and transport assessments. Where travel plans are required, the Protocol introduces a Travel Plan monitoring fee. The Protocol also recommends developers look to provide electric vehicle infrastructure integral to development schemes at the outset. New developments should safeguard existing Greenway/cycle networks and the County Council will seek to secure on-site provision within new developments where opportunities arise. Bus service

contributions will relate to the size of development, with details set out in Appendix A of the Protocol. Home to school travel costs will be sought where pedestrian facilities will not be adequate.

- 4.7 Regarding the Education section, the formula for the number of pupils that a development is expected to generate has altered. Now in line with the 2011 census, for every 100 dwellings there will be 24 primary, 20 secondary and eight post-16 pupils. This has increased from 20, 15 and six respectively, with these previous figures based on birth rate and housing occupancy in Derbyshire. It should be noted that a contribution to school-based sixth form education will only be sought if the normal area secondary school for the development runs a sixth form. A contribution towards Special Educational Needs and Disability (SEND) infrastructure will be requested for developments of 100 dwellings or more, and this requirement is now included in the Level of Contributions table within the Protocol at page 39. Costs **per pupil place** within the Table for primary and secondary school places have not changed. Where the County Council's assessment concludes that the relevant normal area primary and secondary schools have sufficient capacity, then no mitigation will be required, notwithstanding SEND contributions as detailed above. In exceptional circumstances, the County Council may request a contribution towards places at an alternative to the normal area school.
- 4.8 Regarding Health, the Protocol states that the County Council wishes to support LPAs to seek developer contributions for infrastructure to address the wider determinants of health and to support healthy lifestyles where public health may be adversely affected by development. When seeking contributions, consideration should be given to the delivery of the priorities set out in the Strategic Statement for Planning and Health for Derbyshire and Derby City (2016).
- 4.9 Regarding Waste Services, where it is expected that new housing development will generate a need for additional provision, funding through developer contributions will be expected to provide additional capacity. Where proposed housing will place pressure on the Household Waste Recycling Centre, contributions will be sought from developments of 10 or more dwellings. Contributions may be sought from smaller developments where they form part of an overall development in an area or where sites would have a cumulative impact on services and infrastructure.
- 4.10 Regarding Libraries, contributions from developments which place demand on library services will be required in order to maintain this statutory responsibility.
- 4.11 Contributions are not sought for Broadband services however the Protocol includes guidance on how such services should be facilitated through planning permissions.
- 4.12 The Protocol references the County Council's Employment and Skills Strategy, and states that the County Council will work collaboratively with LPAs to identify where activities or contributions are required to support employment and skills development where they are supported by policies in the LPAs' respective local plans.

5.0 Financial Implications

- 5.1 The Derbyshire County Council Developer Contributions Protocol is, where relevant, a determinant for the monies sought and raised through the granting of planning permissions in seeking to mitigate the affects of development through timely infrastructure provision.

6.0 Corporate Implications

Employment Implications

- 6.1 The Protocol supports work with partner agencies and the D2N2 Local Economic Partnership, together with implementation of the Local Industrial Strategy.

Legal Implications

- 6.2 None directly arising from this report however the Protocol will be used in the production of legal agreements.

Corporate Plan Implications

- 6.3 The Protocol aims to help deliver the key aims of supporting economic growth and infrastructure, improving the environment of the District and supporting and safeguarding the most vulnerable.

Risk Impact

- 6.4 None identified directly arising from this report.

7.0 Community Impact

Consultation

- 7.1 Derbyshire County Council has made the draft Developer Contributions Protocol available for public consultation.

Equality and Diversity Impact

- 7.2 The delivery of infrastructure will assist in meeting the diverse needs of all established and future residents and non-residents across the District.

Social Value Impact

- 7.3 Infrastructure provided through the Protocol will be to meet the needs of communities that have directly arisen from new developments within the District.

Environmental Sustainability

- 7.4 Mitigation of the impacts of development are integral to the environmental sustainability of a scheme.

8.0 Conclusions

- 8.1 The Protocol can be broadly welcomed as a timely response to the change in CIL Regulations to facilitate the best use of planning obligations, including the new provision to charge for the monitoring of S106 obligations.

9.0 Background Papers

Derbyshire County Council

Developer Contributions Protocol

V7 – December 2019 Consultation

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1. Introduction

- 1.1 In its Council Plan 2017-2021, Derbyshire County Council aspires for Derbyshire to have:
- Resilient and thriving communities where local people work together, in new and dynamic ways with public services
 - Happy, healthy people and families with solid networks of support, who feel safe and in control of their personal circumstances and aspirations
 - A strong diverse and adaptable economy which makes the most of Derbyshire's rich assets and provides meaningful employment opportunities for local people
 - First class public services which enhance the educational, cultural, physical and social environment of Derbyshire and make it a great place to live, visit and work.
- 1.2 In order to achieve these ambitions, Derbyshire County Council needs to ensure that good quality sustainable development supported by the necessary services and infrastructure is delivered to meet the needs of current and future communities.
- 1.3 It is important that development can be delivered without prejudicing important infrastructure and services. Derbyshire County Council is an important statutory consultee in the planning process. By working closely with the District and Borough Councils and the Peak District National Park Authority, where appropriate, the County Council will request that developers fund the cost of any additional infrastructure and services required to support their development.
- 1.4 The purpose of this Protocol is two fold:
- to set out clearly the County Council's expectations as to how development will need to mitigate its impact with regard to the infrastructure and services delivered by the County Council. This Protocol details the type and level of contributions which may be sought by the County Council when consulted on planning applications, and the methodology which underpins the calculations.
 - to support the Local Planning Authorities to incorporate contributions towards infrastructure requirements into their Local Plans in order to comply with Planning Practice Guidance which requires that planning obligations should be set out in plans and examined in public.
- 1.5 It should be noted however that each development is different and therefore not all the contributions identified within this document would apply to every development.

- 1.6 This Protocol does not specify every form of contribution that may be required. Other infrastructure requirements such as, but not limited to affordable housing, play and open space, National Forest, River Mease catchment, community facilities and health may be sought by the District and Borough Councils and other public organisations.
- 1.7 The areas of infrastructure provision to be covered in this Protocol are the following:
- **Highways and Transportation, including Highways, Sustainable Transport, Greenways and Travel Plans** - Most new developments invariably have some impact on the transport network, as such, to accommodate impact and to facilitate a move towards more sustainable modes of transport, improvements to the infrastructure or existing public transport services may be required which, depending on individual circumstances may be provided by way of a developer contribution.
 - **Education including Early Years, Special Education Needs, Primary, Secondary and Post 16** - In line with the 2019 guidelines published by the Department for Education 'Securing Developer Contributions for Education' developer contributions are sought to ensure the required school places from new housing developments are provided.
 - **Public Health and Adult Social Care** - The link between planning and health has been long established. The built and natural environments are major determinants of health and wellbeing. On many issues, there will be overlapping objectives with regard to transport, open space, housing, design and sustainability. Contributions may be sought to provide better outcomes to facilitate health and wellbeing.
 - **Waste Services** – Government legislation is focused on the prevention and minimisation of waste, maximising re-use and recycling and diverting waste from landfill. Derbyshire County Council as a Waste Disposal Authority has a statutory duty under the Environmental Protection Act 1990 to offer facilities to local residents where they may deposit their household waste. New developments should be provided with a convenient means of waste management, including access to a Household Waste Recycling Centre (HWRC) offering suitable facilities for re-use, recycling and disposal.
 - **Library Services** - Local authorities have a statutory duty under the Public Libraries and Museums Act 1964. A review of County Council Library services has agreed that its library offer would comprise of 25 County Council funded libraries, and 20 community run libraries, and a community managed mobile library service. New developments which place demand on library services and may require developer contributions to mitigate the impacts of a development on the library service.

- **Broadband** – Contributions are not required, however all developers should look to provide for Next Generation Access broadband infrastructure services as an integral part of the development scheme at the outset.
- **Employment and Skills** – In seeking to delivery economic prosperity across the county, and ensuring training provision meets the demands of a modern economy, the County Council will work collaboratively with the District/Borough Councils to identify on a case by case basis where actions and/or contributions may be sought to support the delivery of employment and skills in line with local plan policy.
- **Other site-specific requirements** - In some cases development may result in a need for other mitigating actions and these will be assessed on a case by case basis. Such requirements may relate, but not be limited to Flood and Water Management, Biodiversity, Archaeology and the Historic Environment, Landscape Character improvements, and Canals and Waterways.

Further information on these requirements can be found in Appendices 1 to 8.

- 1.8 This Developer Contributions Protocol has been subject to consultation from 17th December 2019 to 24th January 2020 and agreed at Cabinet on xxxxx.

2. Background

- 2.1 The National Planning Policy Framework (2019) (NPPF) states that ‘the purpose of the planning system is to contribute to the achievement of sustainable development’¹. The County Council has an important role to play in helping to achieve sustainable development, both as a planning authority in its own right, but also as a provider of the vital physical and social infrastructure to support development.
- 2.2 There are 8 District and Borough Councils across Derbyshire and one National Park Authority. These authorities develop the local plan for their area which sets out local planning policies and identifies how land is used, determining what will be built where and any necessary infrastructure required. Local plans must be positively prepared, justified, effective and consistent with national policy in accordance with section 20 of the Planning and Compulsory Purchase Act 2004 (as amended) and the NPPF. Adopted local plans provide the framework for development across England.
- 2.3 Derbyshire County Council is responsible for the delivery and operation of much of the large scale infrastructure required to support development such as highways, schools, libraries and waste. Derbyshire County Council’s Planning Services works closely with Local Planning Authorities to identify the impact of proposed development and ensure the infrastructure requirements needed to support development are identified through the Local Plan process. Where appropriate Derbyshire County Council will seek developer contributions to mitigate the impact of new development.
- 2.4 The Developer Contributions Protocol supports many of the elements contained within the County Council’s Environment and Climate Change Framework, approved by Cabinet on 21st November 2019. The Framework will support a co-ordinated approach to reducing carbon emissions, in line with carbon budgets, across all local authorities in Derbyshire and will provide a focal point for wider partnership working. The Framework will also ensure that all pledges set out in the Climate and Carbon Reduction Manifesto are delivered in a co-ordinated way across a range of strategies and plans at a county and district and borough level. A number of strategies and action plans have been or are being developed to underpin the County Council’s approach to addressing climate change.
- 2.5 Based on the Housing Delivery Test 2017/18, it has been established that Derbyshire (not including Derby City) will need to accommodate a minimum of 2,469 new dwellings per annum. Infrastructure and services will face extra demand arising from these additional dwellings and developers will be required to mitigate the impacts of their development.

¹ Paragraph 7 National Planning Policy Framework 2019

- 2.6 The District and Borough Councils and National Park Authority determine planning applications and following consultation with the County Council ultimately decide what developer contributions can be secured through Section 106 agreements in respect of their own services such as public open space and affordable housing and external infrastructure providers.

3. Developer Contributions – the legal context

- 3.1 Planning obligations are also commonly referred to as ‘section 106’, ‘s106’, as well as ‘developer contributions’. A planning obligation is a legal obligation under Section 106 of the Town and Country Planning Act 1990 and is entered into to mitigate the impacts of a development proposal. S106 agreements are most commonly between a local authority and a developer and are attached to a planning permission.
- 3.2 Planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms. Planning obligations may only constitute a reason for granting planning permission if they meet the 3 statutory tests as set out in the Community Infrastructure Levy (CIL) Regulations 2010 (as amended)² and in paragraph 56 of the NPPF; they are
- necessary to make the development acceptable in planning terms,
 - directly related to the development, and
 - fairly and reasonably related in scale and kind.
- 3.3 Another type of planning obligation is the Community Infrastructure Levy (CIL) which is a planning charge introduced by the Planning Act 2008 as a tool for local authorities in England and Wales to help deliver infrastructure to support the development of their area. Local authorities can choose to introduce a CIL which is calculated on a £ per square metre (sq.m) basis on new development. CIL is intended to be used to help fund infrastructure to support the development of an area rather than making an individual planning application acceptable in planning terms, which is the purpose of Section 106 Agreements.
- 3.4 In the Government’s recent reform of the Community Infrastructure Regulations, Regulation 123 has been deleted and therefore the restriction imposed since April 2010 on pooling has been lifted. This will allow local authorities to seek S106 planning obligations to fund infrastructure to help support and bring forward new housing regardless of how many planning obligations have already contributed towards an item of infrastructure.
- 3.5 The removal of Regulation 123 will also allow local authorities to use both CIL and S106 planning obligations to fund the same item of infrastructure to provide authorities greater flexibility to fund infrastructure. The County Council will work proactively with the charging authority to ensure the infrastructure needs are identified and how the infrastructure will be funded.

² Regulation 122 Community Infrastructure Levy Regulations 2010 (as amended)

4. Derbyshire County Council's approach to Planning Obligations

Pre-application

4.1 Pre-application discussions help to speed-up decision making and provide clarity. Paragraphs 39 and 40 of the NPPF encourage developers to engage in discussions and meetings with Local Planning Authorities prior to submitting planning applications.

4.2 Derbyshire County Council, through their Highways Development Control Team, provides a pre-application advice service on Highways matters. Please visit the '[How to Make a pre-planning enquiry](#)' webpage for information about what will need to be provided. Requests for advice should be sent via post to:

The Highways Hub
Economy Transport and Environment
Room 199b
County Hall
Matlock
DE4 3AG

or emailed to: contactcentre@derbyshire.gov.uk

4.3 All other pre-application enquiries in relation to Derbyshire County Council planning obligations should, in the first instance, be directed to the Planning Policy and Monitoring Team who will liaise with relevant service colleagues. E-mail enquiries should be directed to planningpolicy@derbyshire.gov.uk.

4.4 The County Council responds to pre-application enquiries and consultations on planning applications from Local Planning Authorities within 21 days of receipt of the appropriate level of information. The Planning Policy and Monitoring Team, coordinates comments from County Council departments to assess the proposed development and prepare a response.

4.5 At the pre-application stage, unless the Local Planning Authority requests that the enquiry is treated in confidence, any consultations will also be sent to the relevant County Council elected ward member/s for their attention only.

4.6 The information provided to developers and district and borough councils by the County Council, once an assessment of a development has been conducted, is for illustrative purposes only and is time-limited.

Planning Applications

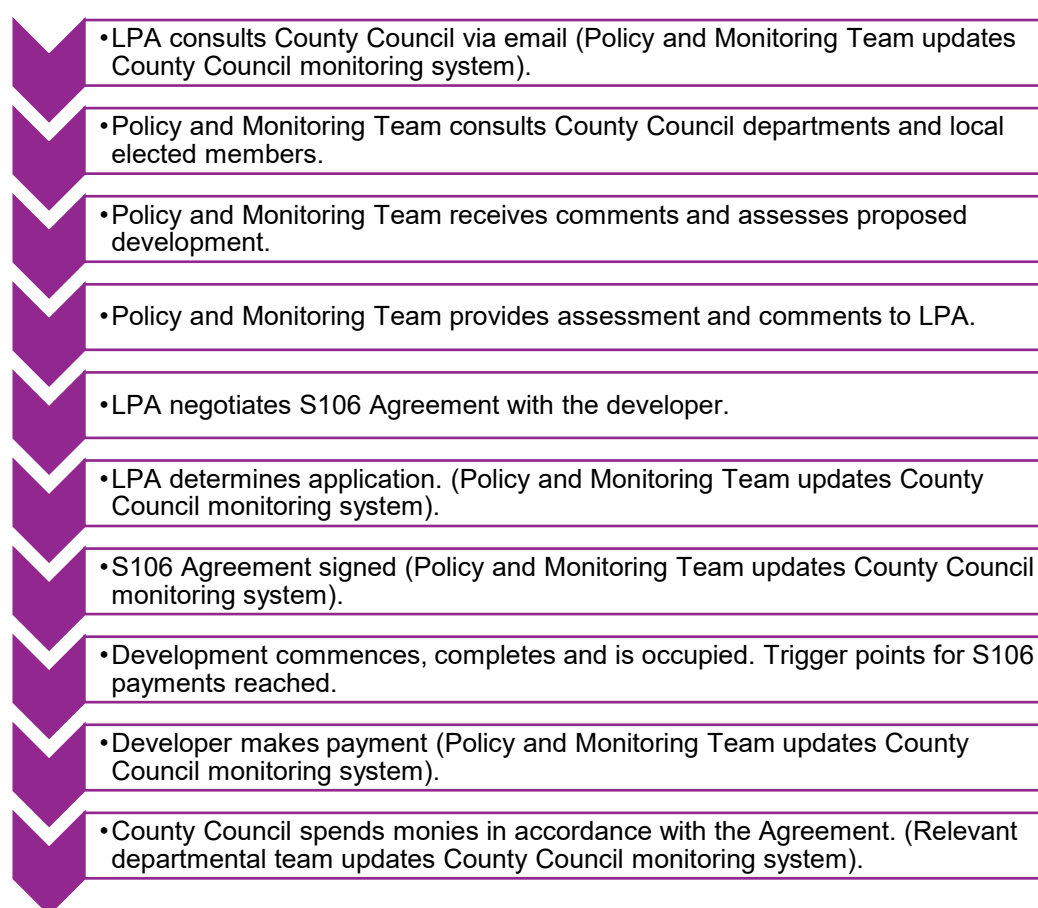
- 4.7 At the earliest opportunity, Local Planning Authorities should notify the County Council of any major residential development (where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more). The County Council should be provided with sufficient information to identify the location, and the type and nature of the proposed development (i.e. total gross number of dwellings, dwelling mix and any age related policy restrictions). All correspondence should be sent electronically via email to planningpolicy@derbyshire.gov.uk.
- 4.8 As a Statutory Consultee, the County Council Highways Development Control Team must be consulted by Local Planning Authorities separately on all planning applications which have a potential impact on the County's highway network and transportation infrastructure. The Highway Authority is obligated to provide a substantive response to all consultations within 21 days. The Planning Policy and Monitoring Team (Economy, Transport and Environment Department) and the County Council Highways Development Control Team liaise to ensure that responses made to Local Planning Authorities are broadly consistent. Correspondence for the County Council Highways Development Control Team should be sent to ETE.DevelopmentControl@derbyshire.gov.uk. See Appendix 1 for further information.
- 4.9 The County Council will only seek planning obligations where they accord with the CIL Regulations and relevant planning policies. All consultation responses to planning obligations will be in line with this Developer Contributions Protocol.
- 4.10 The County Council's response will advise the Local Planning Authority:
- how the development would impact on strategic infrastructure and services;
 - how planning obligations will assist in mitigating the impact of unacceptable development to make it acceptable in planning terms; and
 - any opportunities to enhance existing or provide new infrastructure and services.

It may be possible to resolve identified impacts through the use of planning conditions.

- 4.11 Where S106 contributions are sought, the County Council will provide the necessary evidence to demonstrate that the need identified is due to the impact of the development concerned and that the contributions sought and the projects identified meet the requirements of the CIL Regulations. Planning obligations may seek to secure financial contributions towards improving or expanding existing infrastructure or providing new infrastructure, the direct provision of services, land and buildings, or payments towards ongoing maintenance and service delivery costs.

- 4.12 Where proposed developments may have an impact on a neighbouring authority then appropriate consultation will take place and Section 106 contributions may be secured to mitigate any negative impacts on the neighbouring authority.
- 4.13 It remains the responsibility of the Local Planning Authority (LPA) to consider the County Council's advice and determine the application, including any decision to seek developer contributions via S106 planning obligations. The LPA has the ultimate responsibility in determining whether the infrastructure contributions sought are reasonable and accord with the requirements of the CIL Regulations, in addition to balancing the viability of the development against the infrastructure requirements. The S106 process is shown in Figure 1 below.

Figure 1 – Consultation process



- 4.14 Where the local planning authority does not accept the County Council's request for contributions, the LPA should notify the County Council as soon as possible prior to the determination of the application. The County Council reserves the right to object to the application, as the lack of developer contributions may render the development unsustainable.

Viability

- 4.15 It is noted that there is an increased use of viability assessments to justify a reduced or nil contributions. This is not just at the initial application stage, but now more often once planning permission is achieved, with developers/agents seeking to renegotiate the planning obligations which made the development acceptable in planning terms. The 2019 NPPF and its associated National Planning Guidance on viability has tried to reduce this practice with fundamental changes at both the plan making and application stages.
- 4.16 The NPPF and accompanying National Planning Guidance on viability has significantly changed the approach to both the use of, and inputs to viability assessments. The role for viability assessments is now primarily at the plan making stage to ensure that policies are realistic. Policy requirements should be set at a level that takes account of affordable housing and infrastructure needs, and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the planning application stage. The price paid for land is no longer an input into viability assessments nor a relevant justification for failing to accord with relevant policies in the plan.
- 4.17 Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.
- 4.18 The County Council will continue to work with LPAs at the plan making stage to ensure the required infrastructure and services are factored into the viability assessments to ensure that the allocated sites are deliverable.
- 4.19 At the planning application stage the LPA should consult the County Council as soon as possible if they have accepted a viability assessment as part of the planning application process. The LPA should provide the viability assessment to the County Council to allow an understanding of the issues. The County Council reserves the right to appoint a suitably qualified person to undertake an independent viability review of the submitted viability assessment.
- 4.20 The County Council also requests that the required contributions as set in their consultation response, or ones subsequently agreed through negotiation, and the reasons why they are necessary are included in the Planning Officer's report and considered by the authority's relevant committee or under delegated powers as appropriate.
- 4.21 The County Council may be flexible to assist developers where schemes are showing marginal viability. For example, there may be scope to collect

contributions in instalments or to phase payments later in the development process.

- 4.22 In cases where an LPA does not accept or pursue the County Council's request for contributions, the County Council would expect to be notified with the reason/s and provided with an opportunity to address the issue in a timely manner. If the County Council consider a development cannot sustain contributions requested to mitigate its impact, an objection may be lodged to the application on the grounds that the development is unsustainable.
- 4.23 Where viability is proven an issue, the County Council requests that a review mechanism is included in a S106 requiring periodic viability assessments throughout the life of the development, with any overage being channelled towards the infrastructure as identified within the County Council's response to the planning application.

Infrastructure in Advance

- 4.24 The County Council may consider 'forward funding' infrastructure by spending money out of its budget in advance of receiving money from the planning obligation. In these circumstances the County Council would expect developers to provide financial information on the viability of their scheme to the LPA. Where the delivery of a named S106 project is critical, and the County Council intervenes to deliver such project using public funding, the County Council will then apply the contribution monies once received to offset the amount spent from public funds.

Derbyshire Infrastructure Investment Plan

- 4.25 In the changing landscape of infrastructure funding, local authorities increasingly collaborate in determining priorities for planning, funding and delivering future infrastructure. Minimising the risk of a growing infrastructure deficit in Derbyshire is key to ensuring the continued prosperity and sustainability of the county. In a time of limited local government funding, the Derbyshire Infrastructure Investment Plan (DIIP) provides a new approach to infrastructure planning in the form of a filtering tool to enable the identification and delivery of those projects which provide the greatest economic, social and environmental benefits to Derbyshire. This process will ensure the development of robust cases to support the projects and enable funding bids to be submitted as and when appropriate funding schemes are announced.
- 4.26 The consideration of the priority projects is an iterative process and will be undertaken on an annual basis. Identified projects will feed into a project pipeline process. This annual review also enables the priority list to be reactive to policy and budgetary changes. Match funding may be provided through developer contributions where the infrastructure required is necessary to mitigate the impact of development but contributions sought have not been

sufficient to meet the full cost of the development, or where the mitigation forms part of a larger project.

5. Section 106 Legal Agreement Checklist

- 5.1 Where Section 106 planning obligations are to be undertaken, the following checklist should be used when drawing up legal agreements:

Drafting

- 5.2 It is important that the negotiation of planning obligations does not unnecessarily delay the planning process. It is therefore essential that all parties proceed as quickly as possible towards the resolution of obligations in parallel to planning applications. S106 Agreements should be prepared in draft form once an assessment of the impacts of the proposed development has been completed, and in advance of any report being submitted to the relevant Local Authority planning committee. Drafting the legal agreement ahead of issuing a delegated decision notice or taking a report to planning committee meetings (and public inquiries) enables all parties to review the provisions and helps to avoid delays in the issuing of a decision once an application has been determined. S106 Agreements, however, **should not be** dated before an application has been determined by the Local Planning Committee or the Planning Inspectorate on appeal. See also the penultimate bullet point below about repayment and the requirement for S106 Agreements to include a clause that says where funds are committed they should be treated as spent.

Signatories

- 5.3 The County Council should be a signatory to S106 legal agreements which relate to services which are the responsibility of the County Council. Being a party to the agreement enables the County Council to know if and when contributions are due or should have been paid. As part of the process for preparing the legal agreement, District and Borough Councils should consult the County Council on the content of the draft document. Copies of signed legal agreements should be provided to the County Council's Director of Legal Services, Commissioning, Communities and Policy Department, so that monitoring records can be updated.

Indexation

- 5.4 To ensure the real value of a S106 financial contribution is maintained up to the date of payment, the 'principal' sum stated in the S106 agreement will need to be index linked. The principal sum will be index inked from this base date until the date of payment. The appropriate index for each type of contribution is given below. The principal amount in the agreement will remain the same but the additional inflation will be affected by the index fluctuation and contribution amounts paid may vary depending of the value of the index at point of invoicing.
- 5.5 The County Council prefers to index financial contributions to the All in Tender Price Index of Building Cost Information Services (BCIS) published by the Royal Institute of Chartered Surveyors (RICS). This index tracks construction

material costs much more accurately than the Retail Price Index (RPI). Where a District or Borough does not subscribe to BCIS, the County Council will provide the information about the level of the uplift of the contribution so the amount payable by the developer can be claimed.

Triggers

- 5.6 Standard trigger points include 'prior to commencement', 'upon occupation', or 'upon completion'. Developers may wish to delay paying financial contributions until income from the sale of a proportion of the dwellings has been received in order to help with cash flow. However, this can mean that the impact on infrastructure and services of households occupying new dwellings is felt before funding is received to mitigate that impact. Payments therefore should be phased for early in the occupation of developments and in fewer larger tranches rather than several smaller ones. However, the County Council is willing to enter into negotiations regarding triggers where viability issues can be demonstrated.

Viability

- 5.7 Please see section 4 above.

Repayment

- 5.8 The County Council requests contributions once the trigger point(s) have been reached. The County Council endeavours to spend contributions as soon as possible and in accordance with the S106 Agreement. Cabinet approval is required to authorise the expenditure of funds. This, plus the time it takes to tender and contract the works, can mean that the time limit for repayment is reached. Therefore, S106 Agreements should include a clause that says where funds are committed they should be treated as spent. If funds are not committed within the time limit specified by the legal agreement the contribution would be returned to the developer. The County Council may alternatively require the funds to be deposited into an Escrow account, which it will draw down once Cabinet has approved the project. All S106 agreements should include a clause for the change of project to be agreed via exchange of letters.

Legal fees

- 5.9 Considering a draft, obtaining instructions, negotiating amendments and executing the agreement requires input from a County Council Legal Services. The County Council will seek to recover legal fees from the developer by using a clause in the Section 106 agreement. At the time of writing the legal fees for a Section 106 agreement or unilateral undertaking is £1,000 for up to ten hours work and thereafter at an hourly rate which is determined dependent upon the member of Legal Services allocated to the case and the complexity.

6. Payment of contributions

- 6.1 Where agreed with the District/Borough Councils, contributions payable in relation to the County Council's clauses will be paid directly to the County Council. Invoices will be issued on request. In other cases, and where the County Council is not a signatory to the agreement, the contributions will be claimed by the District/Borough Council and then forwarded to the County Council.
- 6.2 Where S106 agreements contain an interest clause on late payments, and obligations are paid after the trigger has been reached, the County Council would expect that the District/Borough Councils will utilise this clause to recover interest on late payments. Any interest on late payments should be passed to the County Council.
- 6.3 The contribution is received by the County Council's Corporate Finance Team (Capital) and attributed to the relevant service. The County Council's records are updated. The County Council monitors expenditure to ensure that contributions from planning obligations are spent in accordance with the S106 Agreement. Where specified in the legal agreement, any contributions that are not spent are returned to the developer.

Transfer of monies

- 6.4 In certain cases, in particular relating to education and libraries, there may be instances where S106 monies will need to be transferred to other organisations, such as Academies or community groups. Where this occurs, the County Council will enter into a legal agreement with the organisation, which sets out the amount, project details and clawback arrangements.

7. Monitoring

- 7.1 The monitoring of planning obligations is a complex and time consuming process due to the variability of S106 agreements, and involves the monitoring of development progress against a variety of triggers, liaising with LPAs, calculation and collection of staged payments, application of indexation, raising invoices and maintaining a monitoring database. The County Council incurs significant costs, especially in relation to agreements relating to major residential developments with multiple post development triggers.
- 7.2 In addition to the above, the introduction of mandatory reporting on planning obligations through the production of an annual infrastructure funding statement has been introduced through the CIL Regulations.
- 7.3 In order to support the above, paragraph 2A has been inserted into Regulation 122 of the CIL Regulations 2010 (as amended) which asserts that a monitoring contribution does not have to constitute a reason for granting a planning permission. It also sets the parameters for the charging of monitoring fees in that:
- any monitoring fee should be fairly and reasonably relate in scale and kind to the development and
 - should not exceed the authority's estimate of its cost of monitoring the development over the lifetime of that development.
- 7.4 The planning obligations management fee is a standard charge based on estimated annual monitoring time, relating to the administration, monitoring, management and reporting of each planning obligation. Full payment of the monitoring fee will be due on the commencement of the development in the case of a full application, or on commencement of each reserved matters stage in the case of phased developments. For larger developments the fee may be phased across completion of the planning obligation and implementation of development.
- 7.5 It should be noted that any administrative charge will remain *separate* from the Council's legal costs which will remain independently recovered by the Legal Team and from any Travel Plan monitoring fees.

Derbyshire County Council Monitoring Fees

- 7.6 To ensure that the cost of recovering developer contributions does not become a burden on the council tax payer, the County Council requires a contribution for monitoring.
- 7.7 DCC's monitoring cost is based on the cumulative number of triggers to be monitored for County Council obligations x £70 (based on 2 hours officer time Grade 12) as this directly relates to the costs involved. Please see worked example below:

EXAMPLE

Highways Contribution: £400,000

3 triggers:

Prior to occupation

Prior to 50% occupation

Prior to 75% occupation

Education contribution: £1.2 million

4 triggers:

Prior to occupation

Prior to 25% occupation

Prior to 50% occupation

Prior to 75% occupation

7 triggers x £70 = £490

The charge will be subject to change annually on 1st April each year and will be indexed against the RPI Index.

Document review

- 7.7 The Developer Contributions Protocol will be regularly updated to provide current cost information and changes to supporting policies. For example, education cost multipliers can be issued annually and this influences the cost of providing additional school places. The annual review will also take into account the Building Cost Information Service (BCIS) index and any other inflationary impacts particularly associated with construction costs or service provision where there is an implication for developer contributions. Factual updating which does not materially change the document will be made as and when required.

Highways and Transport

Most developments will predictably have some impact on the transport network around them as a consequence of the construction itself or its subsequent use. New developments usually generate additional travel journeys.

To accommodate this increase in demand, and to provide for a sustainable development the response to a planning consultation may include requirements for general highway infrastructure improvements, supported by a Travel Plan, off-site public transport, and cycling and walking measures.

As the Highway Authority, Derbyshire County Council must be consulted as a statutory consultee on highway matters, including Public Rights of Way and the Key Cycle Network (KCN). New development also provides an opportunity to provide new strategic green infrastructure through the inclusion of Public Rights of Way and KCN within the design of a proposed development scheme.

The County Council's Highways Development Control Team will advise **separately** on the services and infrastructure items included within Appendix 1 where they provide opportunities for development to contribute to the county's green infrastructure. For further information, developers and Local Planning Authorities should contact the links as provided in the relevant sections below:

1. Highways

- 1.1 Transport infrastructure requirements will be funded by a range of different mechanisms which will vary depending on site specific circumstances:

Section 106

- 1.2 Where appropriate developer contributions through a Section 106 agreement may be sought to provide improvements to the highway network to facilitate the development.

Section 278

- 1.3 Alongside Section 106 agreements, where highway objections to proposals can be overcome by improvements to the existing highway, developers can enter a Section 278 agreement that requires them to pay for or undertake such works. These works may include minor highway realignments, roundabouts, traffic signals, right-turning lanes, passing bays and cycle lanes.
- 1.4 Prior to the commencement of construction, developers are requested to submit full construction drawings for approval and enter into a Section 278 Agreement with a Bond to cover the full road construction. Developers are advised that without such an agreement in place they may not commence any works within the public highway.

Section 38

- 1.5 Planning applications for residential development should be designed to meet the recommendations contained in the current edition of the '[Delivering Streets and Places Guide](#)' (produced collaboratively by 6Cs Local Highway Authorities and key stakeholders) and appropriate reference to Manual for Street and Manual for Streets 2. The Highway Authority will advise as to which design elements are or are not suitable for inclusion in a prospective Agreement under Section 38 of the Highways Act 1980. All works to be offered for adoption will also have to meet the County Council's standard specifications for publicly maintainable highways.
- 1.6 Prior to the commencement of construction, developers are requested to submit full construction drawings for approval and enter into a Section 38 Agreement with a bond to cover the full road construction costs. Without such an agreement in place developers will be required to deposit monies with us under the advance payments code.
- 1.7 Developers are advised that without such an agreement in place they should not commence any works and any construction undertaken may prejudice the future adoption of the estate roads concerned.

Commuted sums

- 1.8 For traffic signals, structures, soakaways, landscaping, street furniture and works not normally of standard construction, layout or provision, a commuted maintenance sum may also be charged to the developer.

Transport Assessment

- 1.9 Potential transport and highways impacts are site and development specific. The submission of a Transport Assessment (depending on the perceived impact of the development) and a Travel Plan (see Section 2 below) may be required and are the primary mechanism in determining what measures are required to mitigate the impacts of the development and determine the type and level of contribution required for off-site highway works for major developments.
- 1.10 For further information contact ETE.DevelopmentControl@derbyshire.gov.uk.

2. Travel Plan Monitoring Fees and Travel Plan Bonds

- 2.1 Travel Plans are long-term management strategies for integrating proposals for sustainable travel into the planning process. Paragraph 111 of the NPPF³ states that 'All developments that will generate significant amounts of movement should be required to provide a travel plan...'

³ National Planning Policy Framework 2019
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779764/NPPF_Feb_2019_web.pdf

- 2.2 Where development meets the criteria for the submission of a Travel Plan, a Travel Plan must be submitted as part of the planning application, and accompanied by a transport assessment where appropriate. However, merely requiring a Travel Plan to be submitted as part of the planning process without securing its implementation and objectives negate its impact and providing little or no tangible benefits. The Travel Plan must therefore be included in any signed S106 agreement for the development.

Travel Plan monitoring fee

- 2.3 A financial contribution will be required from the developer towards staff costs incurred by the County Council as part of the associated costs of the travel plan monitoring. The contribution will relate to elements including:

- reviewing the implementation and management of the Travel Plan,
- providing advice on its monitoring and future review,
- travelling to and attending meetings with the development's travel plan officer, and
- reviewing marketing material and reviewing survey results.

- 2.4 This contribution is applicable in all cases. The fee also covers the costs incurred by the County Council for the use of its travel plan monitoring software. Other monitoring toolkits are available. The monitoring fee should be included as part of any S106 agreement.

- 2.5 The fees payable for Travel Plan monitoring fees are available on the Derbyshire County Council website, and are summarised below:

Assessment and review of travel plan monitoring for single occupier commercial, single phase of development, up to 199 dwellings	Charge Band A - Up to £1,015.00 per annum
Assessment and review of travel plan monitoring for larger multi-occupancy commercial, multi-phase development, mixed-use, over 200 dwellings	Charge Band B - Up to £3,100.00 per annum

NB. The above figures are subject to indexation.

Travel Plan bond

- 2.6 The Travel Plan monitoring contribution should be accompanied by a Travel Plan bond payable by the developer to Derbyshire County Council.
- 2.7 The bond is required to enable travel plan measures to be implemented by the County Council should the identified targets not be achieved by an agreed date, and to provide an incentive to the developer to ensure that the Travel

Plan objectives are met. The contribution is secured via a S106 agreement, and is payable should the target reduction in number of trips, or single occupant journeys, not be achieved. The bond is payable to the County Council on commencement of works, and is calculated by taking into account three elements, which are:

- The appropriate annual bus ticket for the area in which the development sits;
- The target for reducing the number of trips or single occupant vehicle journeys, and;
- The number of years covered by the Travel Plan (typically five years).

EXAMPLE:

A commercial development in Langley Mill expects to employ 120 staff, and has agreed a 10% reduction in staff single occupancy car commuting journeys to the site (i.e. reduction in 12 staff journeys). The Travel Plan monitoring period is five years. The appropriate annual bus ticket for Langley Mill is the Trent Barton Land Saver at £1,080 pa.

$$\text{£ contribution} = (\text{£ annual bus ticket} \times \text{target}) \times 5$$

The Travel Plan Bond contribution required is $(£1,080 \times 12) \times 5 = £64,800$.

Where targets are partly met, then an equivalent proportion of the contribution is refundable.

If the Travel plan achieves a 5%, i.e. 6 journeys reduction in staff journeys per annum over 5 years, the Bond is refundable as follows:

Original bond deposited = £64,800

Target achieved = $(£1,080 \times 6) \times 5 = £32,400$

Bond to be refunded = $£64,800 - £32,400 = £32,400$.

Bond fee

- 2.8 A further fee is added to cover the County Council's costs incurred in identifying, developing and implementing any potential measures should the Travel Plan not meet its agreed targets. This fee will be the greater of 5% of the contribution or £1,000.

In the above case,

5% of £64,800 = £3,240.

5% of £32,400 = £1,620.

3. Low Emission Vehicle Infrastructure

- 3.1 Petrol and diesel vehicles have dominated the market for over a century. Transport is the largest sector for UK greenhouse gas emissions (27%), of which road transport accounts for over 90%. Road transport is also one of the biggest contributors to poor air quality in some of the UK's towns and cities.
- 3.2 In response in 2018 the Government launched '[The Road to Zero Strategy](#)' which builds on existing commitments in the Industrial Strategy, the Automotive Sector Deal, the UK Plan for Tackling Roadside Nitrogen Dioxide Concentrations ('the NO2 Plan') and the Clean Growth Strategy to build an environment and an economy fit for the future. The Road to Zero Strategy identifies new measures towards cleaner road transport and is aimed at putting the UK at the forefront of the design and manufacturing of zero emission vehicles, and for all new cars and vans to be effectively zero emission by 2040.
- 3.3 Amongst numerous objectives, the Strategy recognises that current and prospective electric vehicle (EV) drivers need to be able to easily locate and access EV charging infrastructure that is affordable, efficient and reliable. Policy 28 states:

'Ensuring the houses we build in the coming years are electric vehicle ready. It is our intention that all new homes, where appropriate, should have a chargepoint available. We plan to consult as soon as possible on introducing a requirement for chargepoint infrastructure for new dwellings in England where appropriate'.

- 3.4 Reducing emissions from transport in Derbyshire is a key part of the overall approach to tackling climate change and this is a key component of the Derbyshire Environment and Climate Change Framework. Encouraging the take up and use of low emissions vehicles in Derbyshire is a fundamental part of the overall approach to reducing emissions from transport. To support this approach the County Council has developed new Low Emissions Vehicle Infrastructure Strategy for Derbyshire. The expectation is that most low emission vehicle users will choose to charge at home, however the development of a public charging network will provide confidence to use low emission vehicles in Derbyshire.
- 3.5 As such Derbyshire County Council recommend that developers should look to provide EV infrastructure as an integral part of the development scheme at the outset. Local Planning Authorities should attach advisory notes to planning permissions to request that developers work with EV infrastructure providers to ensure chargepoints are incorporated as part of the design of new development in line with the following recommendations:
- All new dwellings with off road parking (i.e. a driveway) should have an appropriate charge point installed.

- Where dwellings have communal private parking, developers should provide an appropriate number of charge points within this parking area commensurate with the number of dwellings.
- Where new dwellings have no private parking and use on street parking, the developer should work with an appropriate provider to install appropriate on street charging points. This could be through street lighting columns for example – please see Pages 83 to 86 of the Road to Zero Strategy regarding EV charging at home).
- Installation of relevant charging provision in new non-residential buildings.

3.6 For further information please contact richard.lovell@derbyshire.gov.uk.

4. Greenways/Key Cycle Network

- 4.1 Greenways are a series of multi user routes which include traffic-free pathways that connect Derbyshire's towns and villages and are suitable for walking, cycling, horse riding and disabled access. They provide sustainable and healthy travel routes to schools, work places, shops and local amenities, and opportunities for leisure and tourism. The creation of the Greenways networks also contributes to local economic growth, providing a greater visitor offer, encouraging overnight stays.
- 4.2 The Greenways Strategies for Derbyshire have informed the development of the emerging Key Cycle Network (KCN) which is the upper strategic tier of the wider Derbyshire Cycle Network in line with an aim to provide new infrastructure to deliver the Derbyshire Cycle Plan 2016. This also forms part of the wider D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Local Cycling and Walking Infrastructure Plan (LCWIP) developed in line with the Department for Transport's technical guidance which reflects the Government's ambition for cycling in England 'to make cycling and walking the natural choices for shorter journeys, or as part of a longer journey'. This is also reflected in the County Council's Local Transport Plan as part of encouraging the healthier and more sustainable travel options.
- 4.3 The KCN project totals 770km with around 396km considered complete and open for use. Additionally the Local Cycle Network (LCN) is as essential to create the connectivity and permeability between neighbourhoods. Both tiers require additional support to establish a fully linked network.
- 4.4 The NPPF (2019) recognises the value of sustainable transport and that 'applications for development should give priority first to pedestrian and cycle movements both within the scheme and with neighbouring areas'. It also provides strong support for the public rights of way network, setting out that 'Planning policies and decisions should protect and enhance public rights of way and access, including taking opportunities to provide better facilities for

users, for example by adding links to existing rights of way networks including National Trails’.

- 4.5 The Government’s National Design Guide (2019) supports paragraph 130 of the NPPF. The National Design Guide promotes the prioritisation of design for walking and cycling, creating routes that are safe, direct, convenient and accessible for people of all abilities. They should be designed as part of attractive spaces with good sightlines, so that people want to use them.
- 4.6 New development should safeguard existing routes, but also provide an opportunity to improve Greenway connectivity to encourage the use of healthier and more sustainable travel options. Where opportunities arise, the County Council will seek to secure on-site provision within new developments to:
- provide new sections of the Greenways network,
 - upgrade existing routes to adoptable standards,
 - provide links from the development to an existing Greenway.
- 4.7 Opportunities will be sought to influence the design of a development to ensure the continuous off highway connectivity of the route, the attractive integration of the route into public spaces, and construction to the appropriate specification (design detail and use of materials). Any required improvements may be secured either through a planning condition or by Section 106. Delivery will be either by DCC following agreement of a S106 financial contribution or directly by the applicant to the standard required. Impacts and any potential contributions would be assessed on a case by case basis.

5. Public Transport

Background to bus services in Derbyshire

- 5.1 Bus services are a vital public service playing a major role in the way many people go about their daily lives. Each week over 500,000 passenger journeys are made by bus in Derbyshire across urban and rural areas making it the most frequently used form of public transport in the county. Buses take people to work, school, college, hospital, the shops and a range of other essential services and leisure opportunities all of which help to support the wider economy across the area. Without buses Derbyshire roads would be more congested, the economy weaker, residents more socially isolated and the air quality worse.
- 5.2 Local bus operators provide bus services that they consider commercially viable without external financial support. In addition to these the Transport Act 1985 explains that local transport authorities must ‘secure the provision of such public passenger transport services as the council consider is appropriate to secure to meet any public transport requirements within the county which would not in their view be met apart from any action taken by them for that purpose’.

The Council therefore provides revenue subsidies so additional services above and beyond those provided commercially operate to ensure communities have access to essential services subject to the level of funding available.

5.3 If road networks are not to become completely congested it is essential that bus services start appealing to more people. To do this bus services need to provide a good quality product which not only exceeds existing passenger's expectations but actively appeals to new potential users. The key elements of this according to national and local surveys is a network which is -

- **Attractive**, and reliable, with punctual services, and high quality customer service and infrastructure with vehicles that are modern, well maintained, clean and safe.
- **Available**, with good network coverage, operating periods and frequency which people can easily access and understand.
- **Affordable**, fares that are competitive with car use with a variety of different options giving people flexibility and value for money.

5.4 To make this happen the Derbyshire County Council buses plan has 4 key aims-

- 1) **Improving the overall passenger experience** – high quality customer service, easy to understand information and a clean, safe environment at every stage of the journey.
- 2) **Developing and sustaining a high quality core commercial network** – Ensuring the services most people use on a regular basis are reliable, frequent, attractive and affordable to use.
- 3) **A flexible modernised supported services network** – Providing appropriate ways for people to reach key destinations in areas where demand is more limited
- 4) **Strong partnerships to take forward improvements** - All the various stakeholders with an interest in bus services working together to maximise the benefits for passengers and the wider community.

All of which will help us achieve our overall objective of increasing bus use in Derbyshire which is important because it will help –

- Support sustainable economic growth
- Reduce congestion
- Improve air quality
- Reduce social exclusion
- Support sustainable housing solutions
- Develop sustainable tourism

Meeting expected public transport demand results from proposed new developments

- 5.5 Contributions from developers to the cost of bus services and related infrastructure are an important source of funding to mitigate the impact of new development in an area. This can take two forms:
- a) Local Bus service contributions to provide socially necessary services, including revenue support for services that are forecast to break-even and become commercial in the future. This will include contributions for school bus services where appropriate. See Appendix A to this section for more details.
 - b) Infrastructure contributions to provide bus stop facilities including shelters raised kerbs, information (including real time information) and bus priority measures, including bus stop clearways. Further information about funding for bus infrastructure improvements is shown in Appendix B to this section.
- 5.6 The level of funding contribution requested is subject to the particular characteristics of the development site and is assessed by taking into account each of the factors described in this document. It is in the interests of the developer, in terms of saleability of dwellings, and for potential residents to ensure that the local bus service offers access to key services and has the capacity to accommodate the additional demand generated by their development.
- 5.7 It is the County Council's preference that funds are paid to the County Council, who will manage and co-ordinate provision of the agreed enhancements however this is subject negotiation dependent on the size and scale of the development.

Bus service contribution

- 5.8 The decision to request a contribution towards the cost of local bus services will relate to the size of the development. For residential developments in excess of 80 dwellings or industrial/employment developments with more than 100 workers on site at the same time the Council will consider whether a bus service contribution should be requested in the light of the prevailing local bus network and any service reviews.
- 5.9 The bus service specification produced for a development relates to the expected additional population arising from the new development and where local quality standards are in place. The service specification will reflect these standards or any emerging standards that may change during the course of the Planning application or service implementation.
- 5.10 Ideally new or enhanced services will be integrated with the existing network of commercial and supported bus routes, to avoid abstraction from them and to maximise the potential for long term viability. It should not be assumed that if a

bus service already runs near to a development, that it will be possible or desirable to run it into the development. Such an assumption will not be given weight when considering a development proposal unless prior discussions with the bus operators and County Council public transport team have taken place and any measures agreed can be secured via a Section 106 agreement.

5.11 The developer will need to provide funding for the new or enhanced service for a minimum of 5 years on a reducing scale allowing for revenue growth. In order to encourage the use of the service it will ideally start early in the development of a site. However factors such as the development phasing and likely future viability will be taken into account on a case by case basis.

5.12 More details on bus service contributions are provided in Appendix A to this section.

Local Bus Infrastructure contributions

5.13 The decision to request a contribution towards the cost of local bus infrastructure relates to the following factors:

- a) The size of any new development.
- b) Bus Usage – the Council will look at the number of likely trips that would be generated and the likely modal split in terms of transport usage, taking the developer's Transport Assessment and Travel Plans for the site into consideration.
- c) Local Bus Infrastructure Availability – The Council will look at the proposed development and the nearest current bus stop infrastructure. Optimum walking distance to and from a stop are assessed on a site by site basis. As a guideline a 250m distance to a stop is desirable and manageable for most users, up to 400m is the accepted DfT standard in urban areas as set down in the current edition of the ['Delivering Streets and Places Guide'](#) (produced collaboratively by 6Cs Local Highway Authorities and key stakeholders). In rural areas the distance to stops should be the minimum practical in the circumstances and footways and footpaths leading to the stops should be improved dependant on site location. Should the nearest bus stop infrastructure be further away than the distances in the guidelines, then the Council will request that new bus stops are installed within the relevant distances via developer contributions.
- d) Quality of Existing Bus Stop Infrastructure – the Council will also consider the quality of the nearest bus stops to the proposed developments and whether the infrastructure could be improved to promote the use of sustainable transport. Any suggested improvements will be relative to the size of the development proposed and its potential impact on the usage of the infrastructure.

5.14 The developer should ensure that the highway design takes into account the needs of any prospective bus service/s and the County Council recommends

developers follow the design principles outlined in the best practice guide produced by Stagecoach: '[Bus Services & New Residential Developments – General Highways and Urban Design advice to applicants and Highways Authorities](#)'

- 5.15 The following infrastructure is currently considered when bus stops are moved or for new stops installed within Derbyshire:
- a) Bus stop pole, with County Council standard specification flag and timetable case
 - b) Raised Boarding Kerb
 - c) Lowered Accessibility Kerb/pedestrian access improvements at stops
 - d) Bus Shelter to DCC standard specification
 - e) Electrical Lighting in Bus Shelter
 - f) Real Time Information displays and pole including associated electrical connections
 - g) Enforceable Bus Stop Clearway
- 5.16 Where new infrastructure is provided the developer will need to enter into an agreement for its long term maintenance through a commuted sum payment to the Borough/District/Parish Council and/or County Council. This will cover the ongoing maintenance and cleaning of the infrastructure and any electrical costs for the next 15 years.

More details on local bus infrastructure are provided in Appendix B to this section.

Home to School Travel

- 5.17 The statutory walking distance to a school before a child becomes entitled to travel support is 2 miles for children aged under eight and 3 miles for older children with some additional arrangements for people on specific benefits. This distance criteria is applied to the nearest suitable school, measured by the shortest available safe walking route. Derbyshire County Council's Transport Policy can be found at www.derbyshire.gov.uk/get2school
- 5.18 Where a residential development is located within the statutory walking distance it should be linked to the school(s) by adequate pedestrian facilities. If there are no pedestrian facilities, or the existing are considered inadequate the developer shall be required to provide new or improved facilities usually via a section 278 agreement. If it is not feasible for improvements or adequate pedestrian facilities to be provided, in the case of developments of 15 or more dwellings, the developer will be required to provide a contribution towards school transport costs.

Rail Service Contribution

- 5.19 There are 35 rail stations across Derbyshire most of which have at least an hourly service with many getting considerably better frequency than that.
- 5.20 Derbyshire County Council is keen to encourage greater use of rail services and has worked constructively with rail industry partners and groups such as the Derwent Valley, and Hope Valley and High Peak Community Rail Partnerships to improve services and the upgrade facilities at stations.
- 5.21 As with bus services and infrastructure the decision to request a contribution towards the cost of rail service provision will depend on a number of factors. However where a development takes places within 1km of existing station the County Council would expect the developer to provide a contribution to provide safe and appropriate links to it for pedestrians and cyclists.
- 5.22 Dependent on the existing facilities at the station and its usage a developer may also be required to provide a contribution towards the costs of enhancements such as:
- a) Waiting shelters
 - b) Customer Information Screens
 - c) Cycle storage
 - d) Car parking

Appendix A - Bus Service Routes and Support – Bus Service Support

Derbyshire County Council places a high priority on planning effectively for the impact from new developments on the local environment, including the local public transport network. Bus route improvements arising from new developments are planned with reference to the following factors:

- a) For developments in excess of 80 dwellings for residential and medium/large Industrial/Employment sites where more than 100 workers are on site at the same time
- b) The bus service specification is produced with reference to the expected additional population arising from the new development and any new bus service provided by the developer will be expected to meet any Statutory or Voluntary Quality Bus Partnership standards applicable in the local area including new partnership arrangements set out in the Bus Services Act 2017. The operator will also be expected to participate in any integrated ticketing schemes/ initiatives in the local area.
- c) The existing public transport network serving the area with stops within an acceptable walking distance from the new development.

- d) The availability of alternative public transport services in each settlement for three main time periods: Monday to Saturday daytime (0600-1800hrs); Monday to Saturday evenings (1800- 24:00hrs); Sunday all day (0600-2400hrs).
- e) Presence of geographic or other features affecting the route i.e. rivers, low bridges, steep hills.
- f) Locations of key services including employment, shopping, education and leisure facilities.

New routes – these are planned to primarily serve the new development and provide access to key services including employment, shopping, education and leisure facilities in areas where no existing services. The introduction of the service will normally be phased with the vehicle size and service frequency reflecting the build out of the development.

Extension of existing routes – Where a bus network already exists in the local area the Council will work in partnership with the local bus operators and developer to determine the most appropriate revised service route, capacity and frequency to ensure that both existing and future bus users can be accommodated without affecting the quality of the service provided.

The following costs overheads are taken into account when assessing the cost of the new or extended service -

- Capital costs including vehicles, premises and facilities
- Drivers wages and other on costs
- Other labour and staff costs
- Insurance
- Fuel
- Maintenance
- Vehicle depreciation

The above costs are offset by revenue from fares and passes.

The typical costs used by Derbyshire County Council to calculate bus service contribution is £150,000 per annum gross for a full day Monday – Saturday operation for a conventional single deck vehicle.

Appendix B - Bus Stop infrastructure – How are the costs of the requested infrastructure improvements calculated

Funding will be provided by the developer for all new developments, of any size (11 dwellings or more if residential), which require the installation of new bus stops in order to provide access to sustainable forms of transport. Examples of the expected infrastructure is set out below:

- a) Bus stop pole, with County Council standard specification flag and timetable case
- b) Raised Boarding Kerb
- c) Lowered Accessibility Kerb/pedestrian access improvements at stops
- d) Bus Shelter to DCC standard specification
- e) Electrical Lighting in Bus Shelter
- f) Real Time Information displays and pole including associated electrical connections
- g) Enforceable Bus Stop Clearway

For developments where existing bus stop infrastructure is within a reasonable walking distance of the site, the existing standard of the closest stops will be assessed alongside the proposed development to evaluate its impact on infrastructure usage.

The tables below give an illustration of a pair of standard pole and flag bus stops with examples of how improvements would be requested via planning obligations or developer contributions:

Development size	Bus stop 1 with bus services heading towards a major town	Bus stop 2 with bus services heading away from a major town
<p>Small (10-49 Dwellings for Residential)</p> <p>These improvements will allow the public and bus operators to safely access public transport infrastructure</p>	<ul style="list-style-type: none"> County Council standard specification pole, flag and timetable case. Raised Boarding Kerbs Enforceable Bus Stop Clearway Pedestrian access improvements at stop. 	<ul style="list-style-type: none"> County Council standard specification pole, flag and timetable case Raised Boarding Kerbs Enforceable Bus stop Clearways Pedestrian access improvements at stop
Development size	Bus stop 1 with bus services heading towards a major town	Bus stop 2 with bus services heading away from a major town
<p>Medium* (50-99 Dwellings for Residential)</p> <p>These improvements will allow the public and bus operators to safely access public transport infrastructure. Bus passengers will be provided with a high quality information provision.</p>	<ul style="list-style-type: none"> County Council standard specification pole, flag and timetable case Raised Boarding Kerbs Enforceable Bus Stop Clearway Pedestrian access improvements at stop Bus Shelter to DCC standard specification 	<ul style="list-style-type: none"> County Council standard specification pole, flag and timetable case Raised Boarding Kerbs Enforceable Bus Stop Clearway Pedestrian access improvements at stop

*there may be more than a single pair of bus stops which require improvements for developments of this size	<ul style="list-style-type: none"> • Electrical lighting in the shelter • Real Time Information display and pole and associated Electrical Connections 	
<p>Large* (100+ Dwellings for Residential)</p> <p>The improvements will allow the public and bus operators to safely access public transport infrastructure. Bus passengers will be provided with a high quality waiting environment and information provision.</p> <p>*there may be more than a single pair of bus stops which require improvements for developments of this size</p>	<ul style="list-style-type: none"> • County Council standard specification pole, flag and timetable case • Bus Shelter to DCC standard specification • Electrical lighting in the shelter • Raised Boarding Kerbs • Enforceable Bus Stop Clearway • Pedestrian access improvements at stop • Real Time Information display and pole and associated Electrical Connections 	<ul style="list-style-type: none"> • County Council standard specification pole, flag and timetable case • Bus Shelter to DCC standard specification • Electrical lighting in the shelter • Raised Boarding Kerbs • Enforceable Bus Stop Clearway • Pedestrian access improvements at stop

Bus Stop infrastructure – how are requested improvement costs calculated?

All costs for infrastructure improvements are based on Derbyshire County Council's contract price in addition to quotations from our contractors to carry out the works. Each site will be priced individually through developer contact with the County Council's Public Transport team. The table below shows examples of costings, however the prices quoted are for illustration purposes only and should not be used to calculate costs as they are subject to change.

Development size	Indicative costs of Bus stop infrastructure
Small (10-49 Dwellings for Residential)	<ul style="list-style-type: none"> • County Council standard specification pole, flag and timetable case: £1,000 • Raised Boarding Kerbs: £1,800 • Enforceable Bus Stop Clearway: £1,500 • Pedestrian improvements at stop: £1,500
	Indicative Bus Stop Total - £5,800
<p>Medium* (50-99 Dwellings for Residential)</p> <p>*there may be more than a single pair of bus stops which require improvements</p>	<ul style="list-style-type: none"> • County Council standard specification pole, flag and timetable case: £1,000 • Raised Boarding Kerbs: £1,800 • Enforceable Bus Stop Clearway: £1,500 • Pedestrian access improvements at stop: £1,500 • Bus Shelter to DCC standard specification: £5,000 - £7,000 • Electrical lighting in the shelter: £1,000 • Real Time Information display and pole and associated Electrical Connections: £6,100

	Indicative Bus Stop Total £17,900 - £19,900
Large* (100+ Dwellings for Residential) *there may be more than a single pair of bus stops which require improvements	<ul style="list-style-type: none"> • County Council standard specification pole, flag and timetable case: £1,000 • Raised Boarding Kerbs: £1,800 • Enforceable Bus Stop Clearway: £1,500 • Pedestrian access improvements at stop: £1,500 • Bus Shelter to DCC standard specification: £5,000 - £7,000 • Electrical lighting in the shelter: £1,000 • Real Time Information display and pole and associated Electrical Connections:£6,100
	Indicative Bus Stop Total £17,900 - £19,900

Education

Assessing the Proposed Development

- 1.1 The County Council, as the Local Education Authority, has a statutory duty to make education provision available for each young person and elects where possible to provide a school place for each child at their normal area school. This duty applies across all schools and includes Academies. Although a new school must be established as a Free School, and some existing schools have opted to become an Academy, the statutory duty to plan provision remains with the Local Authority. In many cases the provision of additional school places is required to ensure that a proposed housing development is sustainable.
- 1.2 When the County Council responds to a consultation on a proposed development, it assesses the total gross number of dwellings proposed within the application site. One bedroom dwellings are excluded from the assessment as it is unlikely that families with children would occupy these dwellings. Dwellings that will be restricted to occupation by people aged 55 and over are also excluded from the assessment.
- 1.3 The County Council response to the Local Planning Authority (LPA) includes information on the number of pupils that the development is expected to generate, the net capacity of the normal area school, the current number of pupils on roll and the projected number of pupils on roll for the next five years at the normal area school.
- 1.4 The number of pupils that the development is expected to generate is calculated using the formula that for every 100 dwellings there will be 24 primary, 20 secondary and 8 post-16 pupils. This formula is based on a statistical assessment of birth rate and housing occupancy data in Derbyshire using information from the 2011 census. In calculating the pupil yields one-person households have been omitted. This reflects the fact that one-bedroom dwellings are omitted from the assessments of need contained in consultation responses. The County Council will review pupil yields calculations after each census, the next being the 2021 census. The County Council will employ any alternative methodology required by the Department for Education (DfE), should this be forthcoming.
- 1.5 The net capacity of the normal area school is the DfE's nationally agreed measure of a school's ability to accommodate pupils of statutory age. Following any building work at the school, the net capacity is reviewed and may change to reflect refurbishment, extensions or adaptations to the building(s). The net capacity of a school may also change over time in response to the evolving nature of curriculum and organisational requirements.

- 1.6 Information on the current and projected number of pupils on roll is kept as up to date as part of an annual cycle, however many factors impact on pupil numbers and the situation can change very quickly. Therefore, pupil projection information is a snapshot in time. At any time during the year, families may move into or out of a school's normal area, the Head Teacher or other staff may change, or the Office for Standards in Education (OfSTED) may publish a report which influences public perception of a school. These factors, amongst others, can impact on pupil numbers and can change projection trends. The pupil projection information only accounts for trends within the existing population. The projections **do not** account for planned new housing developments (with or without planning permission) within the normal area of a school.
- 1.7 Therefore, when assessing a proposed development, the County Council must consider the impact of other development within the normal area over and above any impacts anticipated as a result of demographic trends within the existing population. The County Council considers the impact of all major residential development with extant planning permissions within the normal area of a school to assess the effect that committed development coming forward will have on school capacity.
- 1.8 The County Council's assessment of capacity and demand for places advises the LPA on whether the normal area primary and secondary (including post-16) schools can accommodate the additional pupils arising from a proposed development. It should be noted that an assessment of capacity at post-16 will relate to school-based sixth form education only where this is provided at the normal area secondary school. A contribution to school-based sixth form education will only be sought if the normal area secondary school for the development runs a sixth form. Contributions will be combined with secondary contributions towards integrated projects at the school.
- 1.9 Where a development proposal is within the normal area of a Derby City school, the County Council will consult Derby City Council for its views on the education impacts of the proposed development and incorporate those views into its assessment.
- 1.10 The request for a contribution towards Special Educational Needs and Disability (SEND) provision is not subject to an analysis of capacity within a given geographical area, i.e. the locality within which the development is located. Rates of all types of SEND are increasing and special schools and Enhanced Resource School (ERS) units generally operate at or above capacity to avoid pupils being placed out of County. The pattern of provision across the County often involves pupils travelling a significant distance in order to access the most appropriate place to suit their needs. It is therefore not appropriate or possible to assess capacity against the need for places generated by any given development within any specific locality.

- 1.11 A contribution towards SEND infrastructure will be requested for developments of 100 dwellings or more. In the case of an outline permission for 100 dwellings or more, and where the development is phased, the required SEND contribution would be payable at a pro rata rate per dwelling to ensure each phase contributes a proportionate amount. The pupil yield employed in the assessment reflects the proportion of Derbyshire pupils being educated within Special Schools as well as Enhanced Resources within mainstream schools.
- 1.12 In January 2019, 0.86% of young people aged 0-19 in Derbyshire were recorded as being educated in special schools. A further 0.22% of the 0-19 population were attending Enhanced Resource provision within mainstream schools. For the purposes of seeking a contribution to SEND education provision, these will be combined to represent the proportion of the pupil population within special schools and Enhanced Resource provision.
- 1.13 The SEND rate of 1.1% of pupils is then applied to the population and occupation data to give a yield for all-age SEND of 0.7 pupils per 100 dwellings. This yield will be reviewed annually based on actual numbers of pupils in special schools and Enhanced Resource provision.

Mitigation

- 1.14 Any proposed residential development will always be considered within the context of the school normal areas within which it falls. The normal area is the most appropriate and fairest spatial unit for assessing whether sufficient local capacity exists within the education system for new and existing residents. Normal areas are largely long-established and understood by local communities. Their establishment was based on consideration of local geography and topographic features, including roads and rivers, to ensure accessibility to schools from the addresses within each normal area. Information on which normal area an address lies is easily accessible through DCC's online and telephone services. In the school admissions process, each parent/carer is made aware of the normal area in which they reside.
- 1.15 Available capacity in other local schools which may exist within any given radius of a proposed development will not be considered as a measure of whether a contribution to education is required to mitigate for a proposed development. The use of any such capacity would not ensure that local school places are available to current and future residents and therefore would not ensure that the development is sustainable in planning terms.
- 1.16 Where the County Council's assessment concludes that the relevant normal area primary and secondary schools would have sufficient capacity to accommodate the pupils arising from the proposed development, the County Council will advise that no mitigation is required. On larger developments a contribution to SEND will still apply, as detailed above.

- 1.17 Where the County Council's assessment concludes that the relevant normal area primary and secondary schools would not have sufficient capacity to accommodate the pupils arising from the proposed development, the County Council will request financial contributions to provide additional capacity. A contribution to SEND will also be required on larger developments.
- 1.18 To deliver the additional capacity required to accommodate the pupil yield from a development, the County Council looks first at whether the existing accommodation at the normal area school can be reconfigured. If it is not possible to reconfigure existing accommodation, the County Council next looks at whether the existing normal area school can be expanded, for example by providing new classroom accommodation.
- 1.19 In exceptional circumstances the County Council may request a contribution towards places at an alternative to the normal area school. This may occur when in instances where there is no scope for expansion at the normal area school, for example due to the size of the site. It may also be due to qualitative factors, such as quality issues, with the DfE presumption against the expansion of schools which are not graded 'Good' or 'Outstanding'. Where an expansion at a school nearby to the development other than the normal area school is required in order to make the development sustainable in planning terms, this will be highlighted in the planning consultation response.
- 1.20 Similarly it may be the case that the quality of a school named within a S106 changes significantly between agreement of the S106 and the funding for expansion becoming available. In a situation where quality issues preclude expansion of the named school, Derbyshire County Council may seek agreement to use the funding at an alternative school.

Level of Contributions

- 1.21 Where a contribution is required to provide additional school place capacity at an existing school(s), the level of contribution is determined by using figures provided by the DfE for the cost per pupil of capital development in schools. These figures are based on the DfE's analysis of national building costs per pupil, adjusted to reflect regional variations in costs. The DfE costs are no longer updated. Therefore contribution levels have been brought into line with price changes using the BCIS All in Tender Price Index and will be indexed annually from April to ensure contributions keep pace with rises in inflation. The cost per place figures shown below have been indexed from 1Q 2011 when the pupil place calculations were first made. These figures will be updated annually with the BCIS All in Tender Price 1Q Index. The thresholds and level of contribution for providing additional school place capacity at an existing school in Derbyshire for 2020-21 are provided in the following table.

2020/21 Level of Contributions

	Places per 100 dwellings	Cost per pupil place	Cost per 1 dwelling	Cost per 10 dwellings	Cost per 100 dwellings
Primary phase	24 places	£16,812.24	£4,034.94	£40,349.40	£403,494.00
Secondary phase (without Post16)	20 places	£25,332.89	£5,066.58	£50,665.80	£506,658.00
Secondary phase (with Post 16)	28 places	£25,994.64	£7,264.50	£72,645.00	£726,450.00
SEND	0.7 places	£96,202.99	£673.42	£6,734.20	£67,342.00

1.22. The cost of providing a SEND place is significantly higher than a mainstream school place. As evidenced in DfE design guidance, there is far greater space requirement for SEND pupils, along with the requirement for specialist facilities and equipment. The cost of building accommodation per pupil place is 4.5 times that of mainstream. The level of SEND contribution per pupil is calculated by averaging the costs for mainstream provision, assuming a split across all year groups from Reception to Y13 (i.e. the 7 primary year groups, 5 secondary and 2 post-16). This gives an average of £21,378.44. The pupil place multiplier is then applied $4.5 \times £21,378.44 = £96,202.99$ per SEND pupil place required.

Requirement for Additional Schools

1.23 For mainstream education, where the County Council's assessment concludes that it is not possible to provide additional capacity by reconfiguring or expanding the existing school(s), the County Council may advise that a new school is required.

1.24 It is anticipated that a proposed development scheme of around 1,000 dwellings will require provision of a new one-form entry primary school and proposed development schemes of around 6,000 dwellings will also require provision of a new secondary school. However, these thresholds are only a guide. As stated above, if existing schools cannot be expanded, the County Council may advise that a new school is required for smaller scale residential developments. For any development for which a new primary school is required, this will include nursery provision. This reflects the DfE's expectation that all new schools include a nursery. The size of provision will be a 26 place nursery unit for a one-form entry primary school, 52 place nursery for a two-form entry primary school and 63 place nursery for a three-form entry primary school. The cost of this provision is included in the new build costs stated below.

1.25 Currently, a new one-form entry primary school, including nursery, costs the County Council between £5.5 million and £6.5 million to build. A new secondary school of 900 pupils would cost the County Council approximately £25 million+ to build. Where a new school is required, the County Council will require funding for construction in addition to or funding for. Or provision of, suitable land for the new school. Such sites are required to be serviced to the boundary and large enough for the size of school required, including a nursery where it is primary provision. Developers may choose to construct the school themselves, to the County Council's specification, as often they can deliver the school at a lower cost. Where additional adjacent land is available, the County Council may wish to explore options for procurement or a contribution in kind of such land to enable future expansion.

Contribution to revenue costs associated with new schools:

Growth funding:

1.26 Central government policy dictates that all new schools are Free Schools, which are outside Local Authority control. When the need for a new school arises due to residential development, the school can currently be established either through a 'Direct' or 'Presumption' route. In the 'Presumption' process, the Local Authority work closely with the DfE and the selected Academy Trust to plan the opening phase of the school. When established through the 'Direct' route the Local Authority is not involved in this planning phase. Where the need for a new school is created by a development and this is established through the 'Presumption' route, the Local Authority has responsibility for managing the growth of the school. This involves a financial liability for the authority, as revenue funding is required to be provided to the academy in the early years of operation. DCC will request a proportionate financial contribution from the developer where appropriate and on a case by case basis.

Transport costs:

1.27 Where a development requires a new school to be provided in response to a development, arrangements will need to be made for early residents of the new housing to access education in alternative schools until the new school is available. In such circumstances DCC will seek to secure a contribution to transport costs if the distance to the nearest school is above 2 miles for children under 8 years of age and 3 miles for children over 8. This contribution will be proportionate and based on the numbers of dwellings which will be occupied ahead of the opening of the school. This will be subject to detailed analysis to ensure that the contribution being sought is in line with the transport costs which would otherwise be incurred by the County Council in order for the early pupils to access a school place.

Projects:

- 1.28. Where a financial contribution is requested towards the provision of school places, the County Council's response identifies how and where the contribution is expected to be used and the nature of the project that it will support.

Primary and secondary (including school-based sixth form) projects will add places and/or enhance provision at the normal area school where a shortfall in capacity has been identified. The use of the contribution will be determined by an analysis of a school's existing accommodation and shortfalls in teaching and support accommodation in line with DfE guidance for school accommodation. It will highlight any aspects of teaching and support accommodation which will need to be increased and/or improved in order to be able to accommodate additional pupils.

These could include the following;

- New school
- Extension to existing school
- Replacement of temporary buildings with new accommodation in order to make that capacity permanent.
- Provision of specialist teaching and support facilities. Support facilities could include group teaching spaces, spaces needed for pastoral care, or auxiliary facilities such as toilets.

- 1.29 SEND projects will be identified in consultation with the SEND Service of Derbyshire County Council. The contribution may be used anywhere in the county in line with priorities for providing additional places or improving existing facilities at special schools and Enhanced Resources.

Public Health and Adult Social Care

Introduction

- 1.1 The purpose of this section is to ensure health and social care are fully embedded into the planning process and that health and social care infrastructure requirements are considered in order to meet the growth requirements of Derbyshire.
- 1.2 The link between planning and health has been long established. The built and natural environments are major determinants of health and wellbeing. The National Planning Policy Framework (2019) recognises the significant synergies between environment and health and as such embeds health within the planning system, recognising that planning policies and decisions should aim to achieve healthy, inclusive and safe places along with the facilities and opportunities which create a community.

Health impacts and development

- 1.3 There is a fundamental relationship between a person's health and their environment (Town and Country Planning Association (TCPA), 2019)⁴. The built and natural environment where we live, work and play is inextricably linked to health and wellbeing, and can determine the health outcomes of individuals and populations.
- 1.4 Whilst access to healthcare is important, 90% of people's health and wellbeing is linked to the wider determinants of health as outlined in Figure 1 below (The Health Foundation, 2017)⁵ and associated lifestyle factors.
- 1.5 The wider social determinants outlined in Figure 1 are influenced by various factors, such as neighbourhood design, quality of homes, exposure to air pollution, access to greenspace, contact with good quality education and employment opportunities, maximisation of opportunities to connect communities via community facilities and sustainable active travel options.
- 1.6 Better outcomes for people and places can be achieved when built environment professionals work with health and social care professionals (TCPA, 2019) across the whole system. The potential impact on population and human health should be considered early in the development of planning proposals, to enhance the design of places from a health improvement

⁴ Town and Country Planning Association (2019) The State of the Union – reuniting health with planning in promoting healthy communities www.tcpa.org.uk

⁵ What Makes us Healthy? <https://www.health.org.uk/infographic/what-makes-us-healthy>

perspective (Public Health England (PHE) 2017)⁶ (PHE 2017)⁷. For example, developers can make positive contributions to enhance the physical and mental wellbeing of residents through the design and accessible layout of their housing schemes and surrounding green spaces in order to facilitate independence and community connectedness. These considerations will enable people with a long term health condition or disability to live as independently as possible as well as have more general benefits for population wellbeing. See Health Impact Assessment information below.



Figure 1 – The Wider Determinants of Health (Dahlgren and Whitehead 1991)⁸

System wide approach across the health sector

- 1.7 To effectively address local health needs, NHS Clinical Commissioning Groups, NHS Acute Trusts, NHS Community Providers, Primary Care, Adult Social Care, Public Health, and the Voluntary and Community Sector (not limited to) all need to be consulted and engaged in the planning process. This active role will help to achieve the necessary health and social care provision for local communities and thus the health and wellbeing advantages for the community. The interrelationship between the different health sector bodies is shown in Figure 2 below.
- 1.8 It is important to note that this document does not cover Derby City, nor does it address the issue of NHS service delivery as this lies outside the remit of both the County Council and local planning authorities.

⁶ Public Health England (July 2017) Health and Environmental Impact Assessment: A briefing for Public Health Teams in England. PHE gateway number 2016712.

⁷ Public Health England (June 2017) Spatial Planning for Health An evidence resource for planning and designing healthier places. PHE gateway number 2017151.

⁸ Dahlgren, G, Whitehead, M. (1991) Policies and Strategies to Promote Social Equity in Health. Stockholm; Sweden

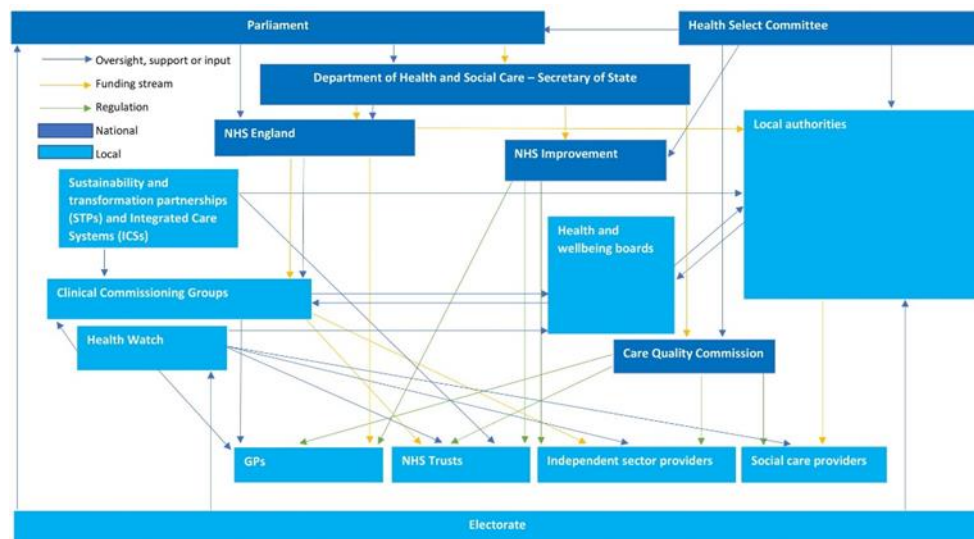


Figure 2 – The Health and Social Care System (BMA 2018)

- 1.9 The Derbyshire Health and Wellbeing Board was formed as a result of the Health and Social Care Act (2012). Each Health and Wellbeing Board is responsible for producing a Health and Well-being Strategy underpinned by a Joint Strategic Needs Assessment. The Board focuses on improving the health and wellbeing of Derbyshire residents and has produced 'Our Lives, Our Health – Derbyshire Health and Wellbeing Strategy, 2018-2023'⁹.
- 1.10 Joint working across the health system in Derbyshire is facilitated by Joined Up Care Derbyshire (also known as Derbyshire's Sustainability and Transformation Partnership (STP)). Individual organisations have different responsibilities but collaborate across the system to provide a coordinated approach to care. The NHS long term plan sets out a clear expectation that by April 2021 all STPs will become fully realised integrated care systems. The September 2019 submission of the Joined Up Care Derbyshire 5 Year Strategy Delivery Plan: 2019/20 to 2023/24 sets out plans to be an Integrated Care System. This will see a fundamental shift in how public health, healthcare and social care is commissioned and provided within Derbyshire and will have an increased focus on preventative activity to improve population health and wellbeing. Planning and urban design has a significant impact on population health and wellbeing, and can play a significant role in supporting a sustainable NHS and social care system. An example of this approach can be seen via the [NHS Health New Towns programme](https://www.derbyshire.gov.uk/site-elements/documents/pdf/social-health/health-and-wellbeing/derbyshire-health-and-wellbeing-strategy-2018-to-2023.pdf).

Derbyshire County Council Context

- 1.10 Within the Derbyshire County Council Plan there are clear outcomes regarding partnership working and working with our local communities. These are:

⁹ <https://www.derbyshire.gov.uk/site-elements/documents/pdf/social-health/health-and-wellbeing/derbyshire-health-and-wellbeing-strategy-2018-to-2023.pdf>

- Resilience and thriving communities where people work together in new and dynamic ways with public services
- Happy, healthy people and families with solid networks of support, who feel safe and in control of their personal circumstances and aspirations.

Contributions from developers through the planning process can help to support the achievement of these outcomes.

- 1.12 Local Plans and Supplementary Planning Documents in Derbyshire make explicit reference to health and wellbeing outcomes in transport, open space and recreation and design.

Public Health duties and responsibilities

- 1.13 Derbyshire County Council has a statutory responsibility for Public Health resulting from the introduction of the Health and Social Care Act (2012).

- 1.14 Derbyshire County Council Public Health, is responsible for a range of services to:-

- empower the population lead a healthier lifestyle
- enable local communities to be resilient
- work in partnership to maximize opportunities to improve health
- provide protection against threats to health and minimize the risk and impact of illness
- create opportunities and environments which enable a healthy community
- support populations to have the best start in life

Adult Care duties and responsibilities

- 1.15 Adult Social Care supports people in line with the duties and responsibilities outlined in the Care Act (2014) and other legislation, such as the Autism Act and mental health legislation.

- 1.16 The focus of adult social care in Derbyshire is based on a number of commissioning strategies which are available on line at

www.derbyshire.gov.uk/accomissioningstrategies

- 1.17 Derbyshire County Council want to support residents who have or may develop care and support needs to be supported in their own homes for as long as possible, reducing the need for residential care and enabling independent living. This is outlined in both the older people's housing, accommodation and support strategy and the specialist housing, accommodation and support strategy.

- 1.18 The strategies are supported by Market Position Statements which provide further detail about current requirements for housing, accommodation and support. They can be accessed at www.derbyshire.gov.uk/marketshaping

Key health and social care priorities

- 1.19 The Health and Wellbeing Board Strategy '[Our Lives, Our Health – Derbyshire Health and Wellbeing Strategy, 2018-2023](#)' (DCC 2018), sets out its key priorities and how members will work together to improve the health and wellbeing of Derbyshire's residents'. Important Derbyshire health statistics are identified within the strategy and its evidence base. The strategy outlines 5 priority areas:
- Enable people in Derbyshire to live healthy lives
 - Work to lower levels of air pollution
 - Build mental health and wellbeing across the life course
 - Support our vulnerable populations to live in well-planned and healthy homes
 - Strengthen opportunities for quality employment and lifelong learning
- 1.20 Key health priorities and principles are outlined in the '[Strategic Statement for Planning and Health across Derbyshire and Derby City](#)'(2016). The statement was shaped in reference to the National Planning Policy Framework (2012) and the National Public Health Outcomes Framework (2016). The statement has been approved by all 10 of Derbyshire local authority areas', and reflects the need for local variation across Derbyshire.
- 1.21 Further work is ongoing to ensure the statement accords with the updates to the National Planning Policy Framework in 2019.
- 1.22 The [Older People's Housing, Accommodation and Support Strategy 2018-2035](#) promotes the need for flexible housing to support the changing needs of residents throughout their life. Derbyshire County Council is seeking to move away from residential based care facilities and to support the provision of a greater range of housing that supports independence i.e. housing with varying levels of care, support or supervision/assistance available on site.
- 1.23 Adult social care is also seeking to develop a range of community based specialist accommodation for working age adults with more complex needs as part of the national Transforming Care agenda.
- 1.24 The County Council would welcome the opportunity to work proactively with developers via section 106 and CIL arrangements to support the development of accommodation and housing in line with these priorities.
- 1.25 Derbyshire County Council's Public Health and Adult Social Care teams have and will continue to support local planning authorities to develop the inclusion of health and wellbeing in relevant policies, and provide evidence of local health needs within communities.
- 1.26 Mandated public health programmes, which local government are required to provide, are revenue funded and are delivered by the County Council. As such developer contributions are not sought towards these health programmes.

Key considerations

1.27 When considering the design of a development and negotiating developer contributions, consideration should be given to the delivery of the following priorities, as outlined in the Strategic Statement:

Table 1

Priority area	Consider contributions that support the following
Prioritising positive prevention	<ul style="list-style-type: none"> • Development of healthy environments that are safe and enable people to be active. • Establishment of Health Zones, Community Wellness Hubs or other improvements to infrastructure that promote healthy lifestyles e.g. community kitchens. • Safe active and sustainable travel opportunities, including walking and cycle paths, particularly to link homes to education and/or employment opportunities. • Effective public transport networks, to connect people from where they live to where they work, study, access services, shop and spend leisure time. • Local green spaces that support healthy lifestyles e.g. green gyms. • One off public health interventions to mitigate against the growing demand on NHS services in those localities e.g. smoking cessation, weight management or physical activity interventions. • Measures to support people to access employment and education opportunities. • Increasing biodiversity to mitigate against air pollution. • Ensuring adequate setback distances in areas of high air pollution/noise. • Increasing access to broadband. • Healthy design and positive spatial planning interventions and principles e.g. traffic free environments, cycle lockers, pedestrian signage.
Supporting positive wellbeing	<ul style="list-style-type: none"> • Access to good quality homes, safe streets and greenspace. • Effective neighbourhood planning to reduce exposure to air pollution and noise. • Reduction of crime and anti-social behaviour. • Infrastructure to enable the Five Ways to Wellbeing (Be Active, Give, Learn, Take Notice, Connect). • Public Art – creation and installation of artwork, engagement and opportunities for local people.

	<ul style="list-style-type: none"> • Through the provision of social housing models of extra care and adapted accommodation with care support for people with disabilities • Requiring a proportion of affordable and market housing to be built to 'accessible and adaptable standards' as set out in Building Regulations Standards M4(2) and 'Wheelchair User Dwelling Standards' as set out in the standard M4(3)
Supporting healthy ageing	<ul style="list-style-type: none"> • Enabling people to age well by ensuring new homes are built to promote independence and respond to changing needs as people age via utilisation or adoption of: <ul style="list-style-type: none"> ○ Dementia Friendly communities principles ○ Alzheimer's Society dementia friendly housing charter ○ HAPPI principles ○ Lifetime Homes or Part M2, 3a or 3b Building Regulations. ○ Good community design to enable connectedness. ○ Intergenerational housing or spaces for intergenerational activities. ○ Co-housing opportunities
Social cohesion	<ul style="list-style-type: none"> • Creating and maintaining community assets, that promote opportunities for connecting communities e.g. mixed use housing developments. • Improvements to streetscape e.g. seats for older people, tree-planting on busy roads, better access for those with disabilities. • Creating and maintaining shared recreational spaces e.g. community centres, skate parks or youth shelters (based on local engagement and consultation). • Well-designed street frontages. • Reducing social isolation. • Digital connectivity
Healthy Homes	<ul style="list-style-type: none"> • Building the right homes, in the right communities for the right populations. • Renovating or replacing existing homes that require improvement in the vicinity (cold, damp, digitally enabled, improving accessibility). • Installation of charging points for electric cars.

1.28 The County Council wishes to support local planning authorities to seek developer contributions for infrastructure to address the wider determinants of health, and to support healthier lifestyles where public health may be adversely affected by development. In the majority of cases, the County Council will focus its attention on facilitating greater efficiency in the delivery of local services through 'designed-in' solutions with new housing as a means of expanding

service capacity. Local planning authorities will be advised by the County Council on the use of conditions rather than seeking planning obligations.

- 1.29 In order to support local planning authorities to assess the health needs of their communities, Public Health is constructing a series of 'developer contribution dashboards' to support planning authorities to prioritise the obligations they request. Information will be provided down to a ward level and includes information on obesity, physical activity levels, air pollution and smoking. A link will be inserted in this document once the dashboard is operational.

Health Impact Assessments

- 1.30 A Health Impact Assessment (HIA) is a practical tool, which allows for the evaluation of the health impact of policies, strategies and initiatives in sectors that indirectly affect health, such as transportation, employment and the environment. The overall goal of HIAs is to inform decision-makers of adverse health effects of proposed actions, and support identification of appropriate policy options.
- 1.31 In May 2017, changes were made to the Environmental Impact Assessment (EIA) Regulations for major developments to include 'population and human health' as one of the considerations. To reduce health inequalities and promote healthier lifestyles, planning applications for major residential development of 100 dwellings or more should be accompanied by an HIA.
- 1.32 The use of an HIA on a major planning application was piloted in 2016, when the County Council worked with the Homes and Communities Agency (now Homes England), North East Derbyshire District Council, Bolsover District Council, Chesterfield Borough Council, NHS Hardwick and North Derbyshire CCGs (now merged into Derby and Derbyshire CCG), Data Orchid and Lincolnshire County Council. The final report was published in a report entitled '[Rapid Health Impact Assessment of the Avenue development](#)' (2016). It is intended that the learning from this work can be used to inform future HIA proposals.
- 1.33 Developer guidance around reducing the impacts of air pollution is currently being developed. Of all the environmental factors, air pollution has the greatest adverse effect on health outcomes across all population groups. (PHE 2017)¹⁰. The East Midlands Air Quality network seeking to share best practice, in conjunction with Public Health England has developed [Guidance for Developers on Air Quality and Emissions Mitigation](#).

Mitigation

- 1.34 Mitigation of any adverse impacts on health is dependent on the individual circumstances of the proposed development, the local community and any health care facility to which it directly relates. On many issues, there will be

¹⁰ Public Health England (June 2017) Spatial Planning for Health An evidence resource for planning and designing healthier places. PHE gateway number 2017151.

overlapping objectives with regard to transport, open space, housing, design and sustainability.

- 1.35 Mitigation could include for example, financial contributions through Section 106 or CIL for healthcare facilities, and/or infrastructure to facilitate health and wellbeing such as open spaces and active travel infrastructure (as identified by DCC and local planning authorities).
- 1.36 The Adult Social Care and Health Directorate will be consulted on planning applications via the County Council's Planning Policy Team. Responses made to the local planning authority will be relevant through the identification of appropriate policies and evidence, explicitly linking any recommendations to the policy context (NPPF, Local Plan, and Supplementary Planning Documents).
- 1.37 Planning obligations, in the form of section 106 agreements, will only be requested where it is not possible to address unacceptable impacts through design or a planning condition. A planning obligation may only constitute a reason for granting planning permission if it meets the three tests as set out in the NPPF (2019) and CIL Regulations 2010 (as amended). Where the provision of a facility/intervention has been agreed, funding may be held and pooled in order that a larger specific scheme can be implemented.

Primary Care

- 1.38 As well as addressing the wider determinants of health, significant consideration needs to be given to access to healthcare.
- 1.39 An individual's first point of contact with the NHS is principally through primary care services, with around 90% of patient interaction occurring through these services. This includes GP practices, dental practices, community pharmacies and high street optometrists. The Health and Social Care Act 2012 places an obligation on NHS England to secure the provision of primary medical services for patients throughout England, and have regard to the need to reduce inequalities in access. Derbyshire Primary Care is commissioned by Derby and Derbyshire Clinical Commissioning Group, with the exception of Glossop, which is commissioned by Tameside and Glossop Clinical Commissioning Group.

- 1.40 Key Derbyshire Clinical Commissioning Group (CCG) contacts:

Clinical Commissioning Group (CCG)	Key Contact	Area
Derby and Derbyshire CCG	Jean Richards	jeanrichards@nhs.net
Tameside and Glossop CCG	Susan Hall	Susan.hall2@nhs.net

- 1.41 Strategic estates matters and governance processes for Joined Up Care Derbyshire are dealt with through the Local Estates Forum (LEF) and guidance is also available from NHS England and NHS Improvement: Robert Hill (Strategic Estates Lead) robert.hill8@nhs.net

- 1.42 The County Council is working with local planning authorities to develop mechanisms to systematically consider health impacts of local plans during their preparation and review. The County Council is also working with CCGs to develop a shared approach for assessing the impact of development proposed through planning applications on the delivery of primary care services and health care facilities (buildings).
- 1.43 Once an approach has been agreed, the LEF and the CCG will as a statutory consultee in the planning process consider the impact of the proposed development on healthcare services and facilities and will advise local planning authorities on potential mitigation.

Waste Services

Meeting additional demand on Waste Facilities – Household Waste Recycling Centres

- 1.1 Derbyshire County Council, along with the nine City, Borough and District Councils across Derbyshire, is a partner in the Derbyshire and Derby City Joint Municipal Waste Management Strategy which sets out ten objectives:
- 1.2 The Strategy helps deliver:
 - Reduced waste
 - Reduced waste;
 - Increased reuse and recycling/composting of waste;
 - Reduced waste to landfill and recovering value from waste that is left over for disposal;
 - Increased public understanding and engagement in waste and recycling leading to high levels of public satisfaction;
 - An accessible, efficient, effective and value for money service.
 - It will also contribute towards:
 - Improved resource efficiency;
 - Reduced carbon/climate change impacts;
 - Protection of natural resources;
 - The management of non-household waste;
 - Local self-sufficiency in the management of waste.
- 1.3 Derbyshire's Household Waste Recycling Centre (HWRC) service forms part of the waste service provided by Derbyshire County Council, with significant input towards the achievement of the objectives within the strategy.
- 1.4 HWRCs are provided in accordance with current legislation which requires the provision of such sites in order to enable householders to be able to dispose of their own household waste. In recent years there have been a number of changes, including:
 - HWRCs have become more aligned to recycling facilities rather than disposal points;
 - The nature and type of vehicles householders use when visiting the HWRCs;
 - Householder expectations regarding recycling;
 - The introduction of and an increase in the range of recyclable materials at the HWRCs.
- 1.5 Derbyshire County Council provides 9 HWRCs across Derbyshire. Householders are asked to separate their waste and recycle wherever possible and as a result diversion from disposal has increased. Up to 21 materials are accepted for recycling, the majority of which are not collected by Derbyshire's

Waste Collection Authorities (WCAs) as part of their kerbside recycling collections. The network of HWRCs provides additional opportunities for the recycling of other household materials, to the benefit of both countywide, WCA and national recycling performance. If materials were to instead appear in the kerbside residual waste bin, it would have a negative impact on recycling performance.

- 1.6 The HWRCs all have permits issued by the Environment Agency and planning consent to operate as recycling centres. Several HWRCs are now at or close to capacity and housing growth within their catchment area places additional pressure on the sites, including:
 - Queuing and congestion for users;
 - The need to service the HWRCs more frequently, at which times the HWRCs can be closed to public access for Health and Safety reasons;
 - The HWRC no longer being deemed 'fit for purpose', with regard to householder usability;
 - Fluctuations in levels of waste;
 - Site constraints.
- 1.7 Additionally, increasingly Government is focussing its intentions on seeing waste arising's managed higher up the waste hierarchy, meaning greater householder expectations for recycling, composting and reuse facilities at the HWRCs.
- 1.8 Whilst waste minimisation is at the heart of everything that the Derbyshire Council's seek to achieve and WCA kerbside collections help divert waste materials for recycling, there still remains a significant amount of household waste materials to deal with and a large proportion of this is received at the HWRCs.
- 1.9 Occupiers of housing on new developments expect to be within easy reach of an HWRC and, once there, see suitable facilities for re-use, recycling (including composting) and disposal. Access to which should be simple and convenient.
- 1.10 New residential development in Derbyshire can be expected to generate an increase in the overall amount of household waste and depending on the size of the development this can have a varying impact on the existing local HWRC network.
- 1.11 Where it is expected that new housing development will generate a need for additional provision, funding through developer contributions will be expected to help provide the necessary additional capacity. Developer funding will be used towards areas such as:
 - HWRC alterations;
 - Provision of new equipment;
 - Extensions and/or redevelopment of existing HWRCs

- Construction of a new HWRC;
- Provision of reuse facilities;
- Activities that support waste minimisation, reuse and recycling.

1.12 Existing HWRCs have a finite capacity for current waste inputs; waste generated from new residential developments, being delivered to the existing HWRC, however, may not easily be accommodated.

1.13 Derbyshire County Council will work with its HWRC contractors to put forward proposals for improvements to the HWRC service, to ensure the service continues to operate efficiently and offer best value to Derbyshire residents. Developer funding will assist in providing funding for additional capacity proportionate to the development.

1.17 Each proposed development will be assessed and considered on its own merits. Where new proposed housing will place greater pressure on the local HWRC, contributions will be sought from developments of 10 or more new dwellings. Contributions may be sought from smaller sized developments where they form part of an overall development in an area or where sites would have a cumulative impact on services and infrastructure.

1.18 Developer funding may be 'pooled' in order to help provide improved levels of provision, greater efficiency and economies of scale.

1.16 Contributions will be fairly and reasonably related in scale and kind and based on the cost of works associated with the provision of a HWRC. Ongoing revenue costs will not be requested.

Library Services

Library Provision

- 1.1 The County Council has a statutory responsibility under the terms of the 1964 Public Libraries and Museums Act, to provide “a comprehensive and efficient library service for all persons desiring to make use thereof”.
- 1.2 The Council has a commitment to maintain and develop a strong libraries network across the County and confirms the purpose of libraries as being places that aim to be at the heart of Derbyshire’s community life.
- 1.3 In Derbyshire, public library services are delivered through a network of static and mobile libraries. Derbyshire libraries provide people focussed services at the heart of local communities, enabling access to books and reading, information, digital skills, technology, cultural and lifelong opportunities for all.
- 1.4 The County Council has a clear vision providing a core library service offer with three distinct elements:
 - Directly accessible services through static libraries.
 - Digital access to services, online offer of eBooks, eAudio, eMagazines, digital newspapers, a range of other online resources and virtual catalogue. The online offer is available 24 hours a day, 365 days a year.
 - Outreach through a well-developed and popular Home Library Service, Bookstart and a Mobile Library Service
- 1.5 Contributions from developments which place demand on library services are required in order to maintain this statutory responsibility and vision for libraries.

Current Guidance: National Planning Policy Framework (NPPF)¹¹

Contributions

- 1.6 Contributions could pay towards:
 - Construction and fit out costs of extensions/ alterations to existing libraries
 - Stock costs

Type and size of development which may trigger a contribution

- 1.7 The need for a contribution will be established by comparing the current capacity of the library and population it serves against the number of people likely to be generated by the new development including:

¹¹

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/779764/NPPF_Feb_2019_web.pdf

- Residential (including student accommodation) **of over 50 dwellings**
- Where new development generates a need for additional library provision
- Where the existing library's capacity is exceeded

1.8 The Arts Council England recommended benchmark is 45 square metres per 1,000 population.¹²

1.9 The catchment population of the library is identified by the home addresses of customers who borrow from that library using data from the Library Management System

What are the costs and how are they calculated

1.10 Where a new development places demands on the library above its physical capacity, a new library or an extension to an existing facility is required. The following standard build cost charges will be applied:

- *Building Costs (including stock):*
 - Building costs linked to the RICS BCIS Tender Price Index¹³ and new build prices
 - Fitting out costs including furniture and technology based upon current fitting out costs of a new provision in Derbyshire

Where such a contribution is required the cost will be determined at the time of the planning application and will be subject to negotiation with the developer.

- *Stock costs only:*
 - Where a library building is able to accommodate the extra demand created by a new development but it is known that the stock levels are only adequate to meet the needs of the existing catchment population, a "stock only" contribution will be sought.
 - The National Library Standard upper threshold as cited in Championing archives and libraries within local planning¹⁴ recommends a stock level of 1,532 items per 1,000 population. At an average price of £20.00 per stock item (based on Askews Library Services book prices at May 2019), the costs for the provision of stock only is as follows:

*Number of dwellings x 2.3 (average household size) x 1,532 (number of people generated by the development) x £20.00 (cost per stock item)
Divided by 1,000 population = £70.47 per dwelling.*

¹² <https://webarchive.nationalarchives.gov.uk/20160204122149/http://www.artscouncil.org.uk/advice-and-guidance/browse-advice-and-guidance/arts-museums-and-new-development-standard-charge-approach>

¹³ <https://www.rics.org/uk/products/data-products/bcis-construction/bcis-online/>

¹⁴ <https://www.artscouncil.org.uk/publication/championing-archives-and-libraries-within-local-planning>

Form in which the contributions should be made

- 1.11 Proportionate contribution towards land, where required, and either the costs of construction of buildings to the County Council's specification and fitting out costs including initial book stock and IT; or contributions towards stock increases.

Broadband

Assessing the Proposed Development

- 1.1 Broadband service quality varies across Derbyshire with access to Next Generation Access (NGA) broadband infrastructure (capable of delivering download speeds of speeds of at least 30 Mbps) improving. Investment in the County's broadband infrastructure, to support the future economic prosperity of the county, continues to be a priority for the County Council.
- 1.2 The Digital Derbyshire programme is a partnership between Derbyshire County Council and Openreach to provide access to NGA fibre broadband services for residents and businesses. The Council's ambition is that 98% of homes and businesses in Derbyshire will be able to access speeds of at least 24 Mbps by the end of 2020¹⁵.
- 1.3 The Digital Derbyshire programme applies to existing households and businesses. New residential developments coming forward will not necessarily be covered by the Digital Derbyshire programme.
- 1.4 Therefore, all developers proposing housing developments should look to provide for NGA broadband infrastructure and services as part of the design of their development schemes at the outset.

Mitigation

- 1.5 It is not expected that the County Council will require fibre-based broadband to be provided to make a development acceptable in planning terms, however developers should look to provide for NGA broadband infrastructure services as an integral part of the development scheme at the outset. This will support the Government's ambitious targets for the availability of full fibre and 5G networks which seeks to see 15 million premises connected to full fibre by 2025, with coverage across all part of the country by 2033. More information can be found the Government publication '[Future Telecoms Infrastructure Review](#)'.
- 1.7 Operators and developers are starting to realise how important fibre-based broadband is for new development and have started to work together to install this infrastructure. More information can be found in the [Openreach Guides and Handbooks](#).
- 1.8 Virgin Media is also offering this service. More information can be found on the Virgin Media's [web page](#).
- 1.9 NGA broadband connectivity is a crucial factor for homeowners when deciding to buy a house. The Home Builders Federation (HBF) is promoting and

¹⁵ Based on the number of Derbyshire premises as of August 2014 and contractual target with BT

supporting the uptake of this funding amongst its members to ensure that high quality broadband services are provided as an integral part of new build homes. More information can be found at <https://www.openreach.com/fibre-broadband/fibre-for-developers/>

- 1.11 Openreach is not the only provider of high-speed broadband services. Developers may wish to make enquiries with other service providers to explore whether other more cost-effective options are available.
- 1.12 Local Planning Authorities should attach advisory notes to planning permissions to request that developers work with broadband providers to ensure NGA broadband services are incorporated as part of the design of new development. However, if it can be shown that this would not be possible, practical or economically viable, in such circumstances, suitable ducting should be provided within the site and to the property to facilitate future installation.
- 1.13 Guidance on the characteristics of qualifying NGA technologies is available from The Department for Digital, Culture, Media and Sport.¹⁶

¹⁶ <https://www.gov.uk/government/publications/2016-nbs-tech-guidelines>

Employment and Skills

- 1.1 One of the 5 outcomes of DCC's 'Council Plan 2019-21' identifies 'A strong, diverse and adaptable economy which makes the most of Derbyshire's rich assets and provides meaningful opportunities for local people'. To support its Council Plan, DCC has developed an 'Employment and Skills Strategy' with the vision being 'To enable the residents and employers of Derbyshire to secure the skills and employment needed for economic success and prosperity'.
- 1.2 Much of the activity delivered through the Strategy is already funded through existing departmental budgets. External funding opportunities have been, and will be, maximised through joint work with partners.
- 1.3 The County Council will also continue to work with partner organisations including the D2N2 Local Economic Partnership (LEP), and District/Borough Councils to implement the emerging Local Industrial Strategy (LIS). The D2N2 LIS is structured around the UK's Industrial Strategy which seeks to 'ensure that everyone can improve their skills throughout their lives, increasing their earning power and opportunities for better jobs'.
- 1.4 Development which is capable of contributing to these objectives will be considered on a case by case basis. The County Council will work collaboratively with the District/Borough Councils to identify where activities or contributions are required to support employment and skills development where they are supported by policies in the District/Boroughs' respective local plans.

Other

1. Flood and Water Management

As a Lead Local Flood Authority, the County Council is responsible for the Local Flood Risk Management Strategy and should be engaged and consulted in both the development planning and development management process. The County Council has prepared a Preliminary Flood Risk Assessment for Derbyshire which can be used to inform the preparation of land use policies and decisions on planning applications. Further information regarding flood risk is available by contacting Derbyshire County Council's Flood Risk Team – flood.team@derbyshire.gov.uk.

2. Biodiversity

All Local Planning Authorities in Derbyshire have Service Level Agreements with Derbyshire Wildlife Trust to provide advice on ecological issues. These service level agreements should be used to obtain advice on request

3. Archaeology and the Historic Environment

Derbyshire's historic environment includes the Derwent Valley Mills World Heritage Site, a wealth of nationally designated built heritage and archaeological sites, locally designated Conservation Areas and Areas of Archaeological Interest, and over 20,000 sites and features of archaeological and historic interest recorded in the Derbyshire Historic Environment Record (DHER). The County Council hosts DHER as well as an archaeological advisory service which provides planning advice to Local Planning Authorities across the county under Service Level Agreements. Planning conditions/obligations and developer contributions may be used by planning authorities to conserve and enhance aspects of the built and historic environment, one of the key objectives of sustainable development as defined by the NPPF.

Where advice is required, details of planning applications should be emailed to: stephen.baker@derbyshire.gov.uk.

4. Landscape Character

Derbyshire has a varied and diverse landscape. Local Planning Authorities are responsible for determining whether a landscape character assessment and a study of the visual impact on the surrounding landscape is required. Local Planning Authorities can use planning conditions and financial contributions to help secure long-term management plans and to conserve, enhance and manage landscape character.

5. Canals and Waterways

The canals and canal routes are an important element of Derbyshire's green infrastructure. Derbyshire County Council has large land and asset liabilities on the Chesterfield, Derby and Sandiacre and Cromford Canals and is the Navigation Authority for the in-water sections between Chesterfield and Staveley and at Cromford. Please refer to the [Derbyshire Waterways Strategy](#) and the County Council's Countryside Service for more information: Susan.White@derbyshire.gov.uk.

6. Fire and Rescue

It is vitally important that new housing is well-designed and addresses safety and the needs of vulnerable people. Houses must provide adequate safety for the occupant throughout the occupiers' lifetimes. Derbyshire Fire and Rescue Service should be consulted on all proposals for housing growth so that the implications for fire safety can be considered. Local Planning Authorities should consider the use of conditions and information notes/recommendations on planning permissions to secure the provision of sprinkler systems and associated water supply infrastructure. For more information contact:

Bolsover, Chesterfield and North East Derbyshire	northareaadmin@derbys-fire.gov.uk
High Peak and Derbyshire Dales	westareadmins@derbys-fire.gov.uk
Derby City, South Derbyshire, Amber Valley and Erewash	SouthAreaAdmin@derbys-fire.gov.uk

REPORT TO:	ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE	AGENDA ITEM: 10
DATE OF MEETING:	5th March 2020	CATEGORY: (See Notes) DELEGATED or RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR SERVICE DELIVERY	OPEN
MEMBERS' CONTACT POINT:	TONY SYLVESTER 01283 595743 Tony.sylvester@southderbyshire.gov.uk	DOC:
SUBJECT:	EREWASH BOROUGH COUNCIL 2020 CORE STRATEGY REVIEW	
WARD(S) AFFECTED:	NONE DIRECTLY	TERMS OF REFERENCE: EDS01

1.0 Recommendations

That the Committee endorses the content of this report and authorises its submission to Erewash Borough Council as this Council's response to its Growth Options Consultation

2.0 Purpose of the Report

- 2.1** To make the Committee aware of Erewash Borough Council's (EBC) Consultation on its next Core Strategy and articulate concerns regarding the evidence presented to support the emerging Plan; the lack of information on how employment land needs will be met; the Council's outlined approach to identifying its local housing requirement and its failure, to date, to work constructively with neighbouring Authorities.

3.0 Details

- 3.1** EBC adopted its extant Core Strategy (Local Plan) in 2014. This Plan included an annualised housing requirement of 368 homes per annum. However, housing delivery has not met the authority's expectations, partly due to the failure of a large regeneration site at Stanton to come forward in a timely manner.
- 3.2** The housing delivery test results for 2019 published by the government in February 2020 indicate that housing delivery in the Borough was at 62% (three years up to 2019) of the identified requirement. In order to address this the Council is seeking to prepare a new Core Strategy.
- 3.3** Whilst the Council's desire to expedite the preparation of a new core strategy should be welcomed, clearly there is a need to ensure that the Plan is soundly based on adequate evidence, cooperative working with adjoining planning authorities and other delivery partners and covers all strategic issues. Having

reviewed the consultation materials it is considered that there are inherent risks in EBC's approach, namely:

Evidence

- 3.4 The Strategy outlined by the Council only covers housing and the spatial approach identified seems to be predicated on a paucity of evidence. In particular there would appear to be a lack of adequate environmental and other evidence in respect of landscape sensitivity, up to date Green Belt Assessment, up to date Strategic Flood Risk Assessment, Employment Needs Study, up to date Strategic Housing Market Assessment and Gypsy and Traveller Accommodation Assessment and no information setting out if or when this information will be fed into plan preparation process. However, even in light of this, EBC appears to have identified its preferred development sites.

Unmet Need and the Duty to Cooperate

- 3.5 The consultation includes a proposal for a new housing development site abutting Derby City. This is dislocated from the remainder of the Borough settlements and it is not obvious that this can meaningfully meet the Borough's local housing need given this dislocation, other than effectively 'making up the numbers'. A fact historically recognised by EBC in their 2012 Strategic Housing Land Availability Assessment (SHLAA) assessment¹ which stated, *'another factor in assessing the site [is that it] borders Derby City which is part of a different Housing Market Area. As such, it could be considered that with regards to Erewash specifically, the site forms an isolated development which has no relationship with any built form around any Erewash settlements'*. Moreover, it is unclear to what extent this and other sites already proposed in the Consultation are actually responding to the strategic growth needs of the Nottingham Housing Market Area including whether there is likely to be unmet need within that area, as well as no consideration of the need for discussion and joint working between EBC and Derby City Council as well as wider Derby Housing Market Area partners, given the clear relationship of a number of potential growth areas to Derby City.
- 3.6 As the Committee will no doubt already be aware, Local Planning Authorities have a Duty to Cooperate with each other, and with other prescribed bodies, on strategic matters that cross administrative boundaries. There is, therefore, a need for EBC to cooperate with surrounding authorities to identify and address appropriate strategic matters which will then need to be addressed through its Plan, as noted in paragraph 26 of the National Planning Policy Framework (NPPF). Effective and on-going joint working between strategic policy-making authorities and relevant bodies is integral to the production of a positively prepared and justified strategy. In particular, joint working should help to determine where additional infrastructure is necessary, and whether development needs that cannot be met wholly within a particular plan area could be met elsewhere. However, no meaningful discussions have yet taken place between EBC and the Authorities in the Derby HMA despite the potential of some of the already identified sites to have cross boundary infrastructure impacts. Any ongoing failure of EBC to engage appropriately with neighbouring authorities could undermine the Soundness of any proposed Plan to the extent that any shortcoming identified later in the plan-making cannot be adequately mitigated.

¹ https://www.erewash.gov.uk/media/files/SHLAA_2012_SITE_ASSESSMENTS.pdf

Housing Requirements

- 3.7 The Growth Options Consultation fails to consider whether it may be appropriate to consider housing delivery different to that set out in the standard methodology. The Planning Policy Guidance (PPG) states that: '*... the standard method uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic under-supply.*' Put simply, the standard method identifies a minimum annual housing need figure; it does not produce a housing requirement figure². It is the case, therefore, that the standard methodology is the starting point, rather than the end point for establishing the housing requirement. This represents the Borough's own housing need but does not address other issues such as a requirement to accommodate unmet need from the Nottingham HMA, and possibly the Derby HMA, or the need to significantly boost housing delivery in response to the delivery of the proposed HS2 railhub located just outside of the Borough at Toton.
- 3.8 Again this point is made in the PPG³ which states '*...the standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates. This will need to be assessed prior to, and separate from, considering how much of the overall need can be accommodated (and then translated into a housing requirement figure for the strategic policies in the plan). Circumstances where this may be appropriate include, but are not limited to, situations where increases in housing need are likely to exceed past trends because of:*
- *growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);*
 - *strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or*
 - *an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground;...*
- 3.9 Moreover the NPPF states strategic policies should look ahead over a minimum 15-year period from adoption, to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure. Yet in this case there is nothing in the growth options document that seems to highlight alternative housing requirement options. Instead it assumes growth of 6,680 homes which is based on local need only.
- 3.10 In light of the above, and in response to a specific question raised by EBC in respect of housing need in the Growth Options document which seeks views on alternative approaches to calculating housing need, the standard methodology should be the starting point for identifying the Borough's housing requirement as outlined in the

² Paragraph: 002 Reference ID: 2a-002-20190220

³ Paragraph: 010 Reference ID: 2a-010-20190220

PPG, but options for higher growth should be appropriately assessed to reflect the likely requirement of the Borough to have to meet likely unmet need of neighbouring authorities as well as accommodating the potential significant economic growth requirements of HS2 (indeed the document pre-dates the recent government announcement on the HS2 programme). As it stands, no higher growth options have been identified or subject to any consideration through the plan-making and sustainability appraisal processes.

The scope of the Consultation

- 3.11 The Growth Options Consultation is narrowly focussed on housing only. It is apparent that a number of large brownfield sites which are currently in employment use will be lost to deliver proposed housing and yet there is no indication of the amount or location of new commercial development necessary to balance the proposed housing growth. It is particularly noteworthy that the current Local Development Scheme (LDS) for the preparation of the Local Plan⁴ states that the growth options consultation (Regulation 18) will be a consultation on the areas of proposed housing and employment growth, although as highlighted this is not the case.
- 3.12 There is also only very limited consideration of housing needs associated with gypsy and traveller provision. The sustainability appraisal notes that the Derbyshire Gypsy and Traveller Accommodation Assessment (GTAA) 2014 requires the provision of a single gypsy and traveller pitch within the Borough by 2019, with the single pitch amounting to the full need across the whole period covered by the Assessment (2018-2034). However, this GTAA does not cover the whole of the proposed plan period and the methodology used to identify the need for pitches is now out of date. An update of the 2014 assessment (in which EBC took part) is currently underway. Although the GTAA was commissioned on the basis that all Derbyshire Local Authorities would participate it has now been belatedly been brought to the Council's attention the EBC has withdrawn from this process. As such it is unclear what the current need for gypsy and traveller pitches in Erewash is for the whole of the proposed plan period. In any case, relying on the development management process to meet needs as suggested in the sustainability appraisal (when it so clearly has not delivered to date) is not likely to be compliant with Paragraph 10 of the Planning Policy for Traveller Sites (PPTS) 2015. A fact that was highlighted by the Planning Inspector overseeing Amber Valley Borough Council's recent Local Plan (now withdrawn) Examination who stated in her correspondence to the Council that: *"The Derby, Derbyshire, Peak District NPA and East Staffordshire Gypsy and Traveller Accommodation Assessment (2014) identifies a need for a total of 10 additional pitches in the Borough between 2014 and 2034. Where there is an unmet need, sites must be allocated to meet that need. [emphasis added].* Put simply the Authority should look to allocate a site (or if necessary, sites) sufficient to meet gypsy and traveller needs based on an up to date assessment.

4.0 Financial Implications

- 4.1 There are no direct financial implications from this report.

5.0 Corporate Implications

⁴ Available at https://www.erewash.gov.uk/media/EBC/web-files/planning/LDS_2018_v2.0.pdf

5.1 Employment Implications: None identified.

5.2 Legal Implications: None Identified.

5.3 Corporate Plan Implications: None Identified

5.4 Risk Impact: None Identified

6.0 Community Impact

6.1 Consultation: Erewash are Consulting on the Growth Options for a period of 12 weeks with the consultation ending on Monday 20th April 2020.

6.2 Equality and Diversity Impact: None Identified

6.3 Social Value Impact: Beneficial. None Identified

6.4 Environmental Sustainability Beneficial. None Identified

7.0 Conclusions

7.1 There is a need for EBC to undertake further work and engage constructively with neighbouring Authorities and other prescribed bodies under the Duty to Cooperate to address the shortcomings identified in this report.

8.0 Background Papers

EBC Core Strategy Review; Draft Options for Growth January 2020. Consultation materials available at:

www.erewash.gov.uk/index.php/local-development-framework/2020-core-strategy-review.html

REPORT TO:	ENVIRONMENTAL AND DEVELOPMENT SERVICES COMMITTEE	AGENDA ITEM: 11
DATE OF MEETING:	5th MARCH 2020	CATEGORY: DELEGATED
REPORT FROM:	STRATEGIC DIRECTOR (SERVICE DELIVERY)	OPEN
MEMBERS' CONTACT POINT:	DEMOCRATIC SERVICES 01283 595848/5722 democraticservices@southderbyshire.gov. uk	DOC:
SUBJECT:	COMMITTEE WORK PROGRAMME	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: G

1.0 Recommendations

1.1 That the Committee considers and approves the updated work programme.

2.0 Purpose of Report

2.1 The Committee is asked to consider the updated work programme.

3.0 Detail

3.1 Attached at Annexe 'A' is an updated work programme document. The Committee is asked to consider and review the content of this document.

4.0 Financial Implications

4.1 None arising directly from this report.

5.0 Background Papers

5.1 Work Programme.

Environmental & Development Committee – 5th March 2020 Work Programme

Work Programme Area	Date of Committee meetings	Contact Officer (Contact details)
Reports Previously Considered by Last Three Committees		
Key Performance Indicators – Licensing Department	17 th April 2019	Emma McHugh Senior Licensing Officer (01283) 595716
Fixed Penalty Notices For Household Duty Of Care Offences	17 th April 2019	Matt Holford Environmental Health Manager (01283) 595856
Corporate Environmental Sustainability Group	17 th April 2019	Matt Holford Environmental Health Manager (01283) 595856
Business Support within the Environmental Health Service	17 th April 2019	Matt Holford Environmental Health Manager (01283) 595856
Service Plans	17 th April 2019	Communications Team (01283) 228705

Resources and Waste Strategy Consultation	17 th April 2019	Adrian Lowery Head of Operational Services (01283) 595764
Corporate Plan 2016-21: Performance Report Q4	30 th May 2019	Communications Team (01283) 228705
Update to Private Hire Licensing Policy and Conditions	30 th May 2019	Emma McHugh Senior Licensing Officer (01283) 595716
Corporate Plan 2016-21: Performance Report Q1	15 th August 2019	Communications Team (01283) 228705
Annual Enforcement and Compliance Report 2018/19	15 th August 2019	Matt Holford Head of Environmental Services (01283) 595856
Environmental Awareness and Local Community Action	15 th August 2019	Matt Holford Head of Environmental Services (01283) 595856
South Derbyshire Call for Sites	15 th August 2019	Karen Beavin Planning Policy Team Leader (01283) 595749
Gypsy and Traveller Site Allocations DPD Scoping Consultation	15 th August 2019	Karen Beavin Planning Policy Team Leader (01283) 595749

Biodiversity Plan for South Derbyshire	15 th August 2019	Karen Beavin Planning Policy Team Leader (01283) 595749
Food Service Plan 2019/20	15 th August 2019	Matt Holford Head of Environmental Services (01283) 595856
Swarkestone Public Footpath No. 9 (Part) Stopping up Order	15 th August 2019	Tony Sylvester Head of Planning Services and Strategic Housing (01283) 595743
Corporate Plan 2016-21: Performance Report Q2	14 th November 2019	Communications Team (01283) 228705
Staff travel plan	14 th November 2019	Matt Holford Head of Environmental Services (01283) 595856
Climate Emergency Planning	14 th November 2019	Matt Holford Head of Environmental Services (01283) 595856
Lowes Lane PSPO	14 th November 2019	Matt Holford Head of Environmental Services (01283) 595856
Local Plan Update	14 th November 2019	Karen Beavin Planning Policy Team Leader (01283) 595749

Drainage and Wastewater Management Plan	14 th November 2019	Allison Thomas Strategic Director (Service Delivery) (01283) 595775
Strategic Housing and Economic Land Availability Assessment	14 th November 2019	Karen Beavin Planning Policy Team Leader (01283) 595749
Local Green Spaces Plan – Proposed Modifications	23 rd January 2020	Karen Beavin Planning Policy Team Leader (01283) 595749
Fleet Management Strategy	23 rd January 2020	Adrian Lowery Head of Operational Services (01283) 595764
Recycling Contract	23 rd January 2020	Adrian Lowery Head of Operational Services (01283) 595764
Swadlincote in Bloom	23 rd January 2020	Mary Bagley Head of Cultural and Community Services (01283) 59
Authority Monitoring Report and Infrastructure Delivery Plan	23 rd January 2020	Karen Beavin Planning Policy Team Leader (01283) 595749
S106 Developer Contributions	23 rd January 2020	Karen Beavin Planning Policy Team Leader (01283) 595749

Methodology for Gypsy and Traveller Accommodation Assessment	23 rd January 2020	Karen Beavin Planning Policy Team Leader (01283) 595749
Provisional Programme of Reports To Be Considered by Committee		
Private Hire Cross Border Enforcement Operational Protocol	5 th March 2020	Emma McHugh Senior Licensing Officer (01283) 595716
Swadlincote Parking Policy	TBC	Matt Holford Head of Environmental Services (01283) 595856
Environmental Services - commercialisation business plan	TBC	Matt Holford Head of Environmental Services (01283) 595856

Air Quality Strategy	TBC	Matt Holford Head of Environmental Services (01283) 595856
Fuel Poverty Strategy	TBC	Matt Holford Head of Environmental Services (01283) 595856
Corporate Plan 2016-21: Performance Report Q3	TBC	Communications Team (01283) 228705
Local Green Spaces Plan	TBC	Karen Beavin Planning Policy Team Leader (01283) 595749
Environmental Standards	TBC	Adrian Lowery Head of Operational Services (01283) 595764
Cross-Border Enforcement Policy	TBC	Emma McHugh Senior Licensing Officer (01283) 595716
Enforcement & Regulatory annual report	June 2020	Matt Holford Head of Environmental Services (01283) 595856
Waste and Minerals Plan Consultation from the County Council	TBC	Karen Beavin Planning Policy Team Leader (01283) 595749