

# Erewash Core Strategy Review Examination

## Response to Matters, Issues & Questions (MIQs)

### Main Matter 5: The Housing Requirement / Overall Housing Provision

#### Issue:

**Whether the Core Strategy Review has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the housing requirement and overall housing provision.**

#### Questions

Paragraph 61 of the National Planning Policy Framework identifies that to determine the number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance (the PPG) unless exceptional circumstances justify an alternative approach that also reflects current and future demographic trends and market signals.

**1. What is the minimum number of new homes needed over the plan period calculated using the standard method? Has the calculation of Local Housing Need been undertaken appropriately using the standard method and correct inputs reflecting the methodology and advice in the PPG?**

The minimum number of new homes in Erewash needing to be delivered over the plan period as calculated using the standard method is **5,800 homes**. This is the figure the CSR is planning for that is presented by **Strategic Policy 1 – Housing**. This requirement reflects the most up-to-date data available to the Council at the time **immediately prior to the publication and subsequent submission** of its Core Strategy Review (CSR). The way in which Erewash's Local Housing Need (LHN) has been calculated (**387** homes per annum) has fully conformed to the steps set out by the standard method in the Planning Practice Guidance (PPG) to identify the correct level of housing need, although given the manner and timing in which the Office for National Statistics (ONS) releases data concerning housing affordability, the 5,800 homes would now not be the current LHN for Erewash if the standard method exercise was subjected to an update.

New data, both for the Borough's housing affordability ratio and a rebasing (i.e. moving forward) of the ten-year period taken from the 2014-based household projections (which the longer-term housing growth is derived from), has resulted in a modest difference between the number of new homes in the submitted CSR and the most up-to-date figure. The new annualised figure using updated data which the standard method requires to calculate local housing need is **384 homes per annum**. When applied over a 15-year period, this would result in a plan-wide requirement of **5,760 homes** – a marginally lower requirement than that made provision for in the

submitted CSR. The negligible difference between the two calculated figures does help to demonstrate relative stability in housing affordability in Erewash.

**The PPG advises that there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method. Circumstances where this may be appropriate include situations where there are growth strategies for an area, where strategic infrastructure improvements are proposed or where an authority is taking on unmet housing needs from elsewhere.**

**2. In response to the Inspector's Initial Questions, the Council concluded that there are no circumstances that justify a higher housing figure. Is this conclusion reasonable and supported by evidence?**

The Council maintains that the reasoning provided in its response to the Initial Questions remains valid and justified. As discussed by the Council's reply (EBC01), there are three principal reasons justifying why the Council does not feel it necessary or appropriate to propose a higher housing figure in excess of the 5,800 housing requirement made provision for by the CSR's Strategic Policy 1 – Housing.

Firstly, the scale of economic growth and employment land needs within the Borough does not warrant any increase in excess of the 5,800 home local housing need. The Council's evidence on the scale of employment land required to meet the forecasted level of economic growth requires provision to be made for approx. 40ha of land in Erewash – a requirement set out within **Strategic Policy 2 - Employment**. Whilst the strategic allocation of the Stanton North at 80ha in total size is set to deliver approx. 55ha of developable employment space, more than that which employment needs evidence suggests, the likely major component of occupants at Stanton North will be based in new warehousing and distribution (B8) facilities. Such uses traditionally result in fewer jobs generated per m<sup>2</sup> than manufacturing and industrial uses, moderating somewhat the overall number of jobs likely to be generated by employment development occurring at the strategic allocation.

The second factor influencing the Council's approach in planning for its local housing needs number of 5,800 homes is to maintain an acceptable balance between planned growth and the availability of infrastructure of a strategic scale. The Council feel this represents a reasonable position to maintain, with the majority of strategic-scale infrastructure located within the Borough's two main urban areas of Ilkeston and Long Eaton, helping to support the day-to-day needs of the Borough's resident and economic population. As well as the availability of social, environmental and economic infrastructure, the CSR along with the strategic site allocations make provision to provide all necessary infrastructure required to deliver sustainable new growth at the identified locations where strategic-scale new housing is planned.

The third factor involves the Council's approach to how it has planned to deliver the assessed scale of local housing growth (5,800 new homes) whilst also effectively

managing Erewash's Green Belt designation. The Council have, across several iterations of previously adopted Local Plans, been able to deliver the totality of successive housing requirements in non-Green Belt locations. A spatial distribution heavily predicated on a pattern of urban concentration with regeneration has maximised numerous opportunities in which to develop brownfield land of various sizes and environmental condition, predominantly in the two primary towns, which has helped to reduce the pressure for new development within the Borough's designated Green Belt. The Council, in planning to meet its assessed level of local housing need through its CSR, has approached this in a way advised by national planning policy, primarily via seeking land to incorporate as much of Erewash's housing requirement opportunities as possible on large brownfield sites within the limited non-Green Belt parts of Erewash. However, as a result of the sustained pattern of urban-centric housing growth seen in the Borough over the last few decades, many of the larger brownfield opportunity sites have now been developed. Additionally, the application of a more rigid, tighter definition of deliverability through the assessment of land across the last two Strategic Housing Land Availability Assessment (SHLAA) exercises undertaken, has placed increased pressures on the Borough's main urban areas to underpin the majority of future housing requirements.

**3. The Core Strategy Review identifies a minimum housing requirement of 5,800 net dwellings over the period 2022-2037. Is this justified? If not, what should the housing requirement be?**

This minimum housing requirement presented by the CSR is fully justified and no other requirement should be considered. This is as a consequence of the reasons provided in response to Q2.

**4. Will the proposed supply of dwellings set out in Strategic Policy 1 incorporate a sufficient 'buffer' to allow for non-delivery as well as providing choice and flexibility in the supply of housing land?**

Yes. The proposed supply of dwelling set out in Strategic Policy 1 will incorporate a sufficient buffer to allow for non-delivery as well as provide choice and flexibility in the supply of housing land. The Council, in response to published scores from the Housing Delivery Test (HDT) concerning the delivery of new housing, is required to incorporate the 20% into its 5-year housing land supply (5YLS). This, following the local housing need figure which set the 5,800-home requirement, adds a requirement to make provision for an additional 387 homes as part of the 5YLS. See the Council's 5YLS position paper (EBH3) for more details about the buffer's relationship with the calculated 5YLS.

In terms of how the buffer is planned to be met by the Council, it is worth noting the level of windfall development made provision for that is incorporated into its five-year housing land supply. This amounts to a total of 462 homes expected to be delivered from Years 4 and 5 at a rate of 231 dwellings per annum (see EBH3). This figure recognises the substantial influence that windfall development has made to the

Borough's housing delivery over a significant period of time, based on a highly urban-centric focus on housing growth with the 231 dpa formed from past activity. Further information on this is presented at **EBH9a**. The Council's housing trajectory (EBH3a) also recognises that the supply of windfall housing will continue to deliver new homes across the entirety of the CSR's remaining plan period beyond that covered by the 5YLS. By its very nature, the locations of windfall housing are not known, although this in itself should not preclude the need to identify strategic-scale housing sites in sustainable locations. The urban morphology influenced by the industrial heritage of built-up areas in Ilkeston and Long Eaton see sizeable parcels of industrial land and premises, much of which was developed in the late-c19th and early-c20th. As industrial operations evolve and premises further age, this is strongly likely to facilitate the increased availability of land which may, due to factors around deliverability and developability, would not have ordinarily been included in land availability assessments.

Whilst there is no formal 'buffer' explicitly identified within the Council's housing evidence, other than the specific mention within EBH3, the Council remain committed to boosting the availability of housing land in the Borough. As referenced at Para 28 of the Council's 5YLS paper (EBH3), the local authority is a significant landowner in the Borough. This includes undeveloped land within the built-up areas of Ilkeston, Long Eaton and the rural villages. An Open Space Needs Assessment (2022) (EBEN1) identified in excess of 50ha of land which is surplus to the Borough's open space requirements. The Council's Property and Estates service are currently conducting a phased land review, with an early stage of this resulting in the formal disposing of Council estate on the open market. Reference is drawn in the 5YLS table at Appendix 1 of EBH3 to the planned supply of 200 homes arising from such land. The first tranche of four such sites is currently being marketed for sale to developers, and more sites are in the pipeline.

In general, the information above about potential housing sites offers a realistic proposition of an influx of additional future residential land that isn't typical windfall source of intensification of housing building plots. When taken as a whole with the combination of strategic and non-strategic housing sites, this provides sufficient buffer, as well as offering choice and flexibility in the supply of land, to allow for any non-delivery of housing.

**5. Would at least 10% of the housing requirement be accommodated on sites no larger than one hectare as set out in paragraph 69 of the National Planning Policy Framework? Does this include sites that have already been completed?**

Yes, the Council can demonstrate that at least 10% of its planned housing requirement of 5,800 homes is set to be accommodated on sites no larger than one hectare. This shows compliance to Paragraph 69 of the National Planning Policy Framework. Evidence from the Council's most recent SHLAA (EBH4d) shows that over the 15 year period covered (0-5 year deliverable & 6-15 year developable), **786**

**homes (13.6%)** are planned to be delivered on sites no larger than one hectare in size with **536** of these **(9.2%)** planned to occur within the first five-year period.

Given the source data arises from the Council's most recent SHLAA, the sites which help to comprise the figures stated above will only include those where residential development remains to be delivered. No completed housing sites contribute to the reported performance.

**6. In overall terms is the approach to the housing requirement justified?**

Yes, the approach to planning to meet housing requirement is justified as shown in answers to other questions in this matter. The Council has demonstrated a balanced approach to delivering its assessed local housing needs figure, accounting for the need to maximise brownfield development opportunities within its urban and inset rural areas before then considering growth located in sustainable locations within the Borough's considerable extent of Green Belt designation. Taken together, the SHLAA 2022 (with its significant variation of housing land types) along with supportive windfall supply and landholdings coming through the Council's land review help to demonstrate a positive approach to planning the Borough's housing requirement.