Craven Local Plan Examination

Matter 2

Statement by Craven District Council

Matter 2 – Objectively Assessed Need and the Housing Requirement (Policy SP1)

Hearing Day 2 –Wednesday10[th] October 2018 (Week 1)

September 2018

Issue 1 – Housing Market Area ('HMA')

Q1. What evidence supports the use of a HMA for Craven, having particular regard to levels of containment and household migration? Does it accord with national guidance in the PPG? (Paragraph: 011 Reference ID: 2a-011-20140306)

Council's Response

1. Chapter 3 of the Strategic Housing Market Assessment Update 2017 (SHMA 2017) (Submission Doc. Ho013) sets out the evidence supporting the use of a Housing Market Area (HMA) for Craven drawing upon the range of data set out in PPG (house prices, migration and contextual data including travel to work). It also considered how neighbouring districts perceived their interactions with Craven and the work carried out by the National Housing and Planning Advice Unit (NHPAU).

2. <u>Regarding house price trends</u>, the median price has increased significantly since 2000, with price trends generally mirroring national trends. Further analysis (Table 5.2 of the SHMA) illustrated how house price trends in the period 2010-2016 had compared with comparator areas. This suggested a median price increase of 6.2% compared with a regional increase of 5.3% and national increase of 12%. Trends across neighbouring areas were mixed, ranging between a 12.2% decline in Pendle to a 10.2% increase in Harrogate.

3. <u>Regarding levels of containment and migration</u>, the SHMA used 2011 census data to explore the extent to which Craven is a self-contained area. Paragraph: 011 Reference ID: 2a-011-20140306 of archived PPG indicates that analysis of migration flows patterns can help identify the extent to which people move house within an area. It states that this analysis can identify the areas within which a relatively high proportion of household moves (typically 70%) are contained. The PPG does not state that this is a threshold that should be met in order to determine a Housing Market Area

4. Suitable tests are two migration containment ratios:

   Supply side (origin): moves within the area divided by all moves whose origin is in the area, excluding long-distance moves (Craven = 58.8%)

   Demand side (destination): moves within the area divided by all moves whose destination is in the area, excluding long-distance migration' (Craven = 60.7%)

5 These findings are consistent with what would be expected in a predominantly rural area and also reflects the complexity of the interactions between Craven and its neighbours. Table 3.1 of the SHMA identified particularly strong interactions with Bradford and to a lesser extent with neighbouring Lancaster and Pendle. The NHPAU research had indicated that Craven was part of two

strategic housing market areas centred on Bradford and Lancaster. The conclusions to this analysis are discussed in the Council's response to Q3.

Q2. How has evidence relating to commuting patterns been taken into account? Does this support the use of a HMA for Craven?

Council's Response

1   Regarding commuting patterns, the 2011 census reports that 66.7% of economically active residents who live in Craven also work in Craven; and 67.5% of resident who work in Craven live in the district. Paragraphs 3.24 and 3.25 of the SHMA (Ho013) comment 'In terms of defining market areas, NPPG does not suggest an appropriate self-containment figure. However, the ONS provides a definition of Travel to Work (TTW) areas as:

    'The current criterion for defining TTW areas is that generally at least 75% of an area's resident workforce in the area and at least 75% of the people who work in the area also live in the area…however, for areas with a working population in excess of 25,000, self-containment rates as low as 66.7% are accepted'[1]

2. Table 2.2 of Ec002 (Page 17) states that Craven has a resident workforce of 27,916. Figure 2.11 of the same document (Page 16) illustrates that the Office for National Statistics (ONS) using data from the 2011 census consider that Craven District is a TTW area. On this basis, it can be concluded that Craven can be considered to be self-contained in terms of travel to work.'

Q3. How does the proposed HMA relate to neighbouring authorities?

Council's Response

1. The SHMA 2017 (Ho013) considered the housing market context of neighbouring local authorities drawing in particular on comments made in Core Strategies and Planning Inspectors' reports. The SHMA 2017 (Ho013) concluded in para 3.22 that 'all of the neighbouring areas are established housing market areas in their own right. Although interactions with other areas are recognised, from the perspective of these local authorities, there is no requirement to include Craven as part of their respective housing market areas. The logical conclusion is therefore that Craven has to be considered as a housing market area in its own right and for the purposes of planning policy.'

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[1]https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/commutingtoworkchangestotraveltoworkareas/2001to2011

Issue 2 – Population and Household Projections

Q1. What is the demographic starting point derived from the 2014-based household projections? How does this compare to the latest mid-year estimates? What are the reasons for the differences?

Council's Response

1. The demographic starting point derived from the 2014-based household projections is 130 dwellings per annum. (Paragraph 6.13 i) of the SHMA 2017 (Ho013). This is underpinned by the 2014 based sub national population (SNPP), published by the Office for National Statistics (ONS) and using the 2014 mid-year population estimates (MYE) as its base.

2. The 2015 and 2016 MYE's were published after the release of the 2014-based household projections, providing two additional years of historical population estimates. The 2015 and 2016 MYE's for Craven recorded a higher population estimate for these two years than forecast under the 2014-based SNPP. The differences between these two sets of figures are:

Estimates/Projections	2015 (Craven District Population).	2016 (Craven District Population)
ONS 2014-based SNPP	55,685	55,759
ONS Mid-Year Estimate	55,801	56,308

3. The MYE's are higher than those figures provided by the 2014-based SNPP due to increased net in-migration to Craven District. In particular, a notable spike in internal net in-migration to Craven was recorded in the 2016 MYE.

Q2. How has the *"re-based"* scenario (141 dpa) been calculated?

Council's Response

1. Historical mid-year population estimates (MYE's) and components of population change (i.e. births, deaths, internal and international migration), published by the ONS for Craven were used to 2016.

2. From 2016 onward, the annual rate of growth by single-year of age and sex projected under the 2014-based SNPP was applied, replicating the population growth trajectory but rebased to the 2016 MYE start point (i.e. referred to as the 'SNPP-2014 Rebased' scenario). Assumptions from the 2014-based household

projection model were applied to the population growth trajectory under the 'SNPP-2014 Rebased' scenario to derive the demographic starting point.

3. Headship rate and 'population-not-in-households' (i.e. communal establishment population) assumptions from the 2014-based household projection model were applied to the forecast population growth trajectory under the 'SNPP-2014 Rebased' scenario, to derive the number of households. A 2011 Census dwelling vacancy rate of 8.9% for Craven was then applied to convert the number of households to dwellings, resulting in an average annual dwelling growth of 141 per annum.

Q3. Why has the SHMA (Ho013) assessed internal rates of migration over 6 years and 15 years? What are the reasons for the variation?

Council's Response

1. Since 2001, Craven's population change has been primarily driven by net internal migration. However, the level of net internal migration to Craven has varied, with the first half of the historical period recording higher net inflows into the district, compared to the latter half (notwithstanding 2015/16 as stated in response to Q2).

2. Therefore, it is deemed appropriate to consider the potential impact of migration assumptions (internal and international) based on variant migration histories on future population growth in Craven. As a result, two 'trend' scenarios were developed using (i) a short term period migration history (6-years 2010/11–2015/16) and, (ii) a long-term migration history (i.e. the full 15-years of evidence 2001/02–2015/16).

3. The result is that the use of the long term migration history (referred to in the 2017 SHMA as the PG Long Term scenario) estimates higher population change (and therefore dwelling growth) over the plan period, driven primarily by increased net migration flows to the district and subsequently a smaller net loss due to natural change.

Q4. How does the SHMA (Ho013) consider household formation rates, what are they based on and are they robust?

Council's Response

1. The demographic analysis underpinning the SHMA uses the 2014-based household formation rates for Craven, taken from the latest 2014-based household projection model (published by the DCLG). These are underpinned by the 2014-based sub-national population projection (SNPP). The 2014-based household model assumptions are used in the assessment of future housing

need for local authorities across England, and are considered robust.

2. An alternative set of household formation rates were also applied to the demographic scenarios. Under the 'Partial Return' rates, the 2014-based household formation rates in the young adult in (25–34) age groups returned to a mid-point between the 2014-based and 2008-based household formation rates by 2033.

3. The rationale for the adjustment was based on: (i) household formation rates are based on previous trends and do not necessarily reflect future government policies or economic circumstances (PPG para 2a-015), (ii) recent trends suggest lower household formation in the young adult age groups, potentially due to undersupply and affordability issues, (iii) therefore it is deemed reasonable and robust to consider a reversal of these trends on housing growth, estimated by returning household formation rates in the 25–34 age groups to a 'mid-point' between the 2008-based and 2014-based projections.

Q5. Paragraph 6.11 of the SHMA (Ho013) and the table that follows (Table 6.1) applies a partial return *"…in which the 2014-based headship rates for the 25-34 age group return to a mid-point between the 2014 and 2008-based rates by 2033"*. Have the same adjustments been made for other age groups?

Council's response

1. No. Adjustments have only been made to the 25–34 age group household formation rates, as these have most notably evidenced lower household formation as a likely impact of undersupply and affordability issues (see response to Q4 above). Changes to the headship rates are detailed in Appendix B of the Edge Analytics '*Craven – Updating demographic evidence – November 2017*' report (De001).

Q6. What are the main reasons for the change in the demographic starting point from the 2016 SHMA Update (Ho012) (188 dwellings)?

Council's Response

1. Under both the 2016 SHMA and 2017 SHMA Update, the demographic starting point is identified as the PG Long Term scenario.

2. There are two main drivers in the differences between the demographic starting point under the SHMA 2016 and SHMA Update 2017. Firstly, the PG Long Term scenario presented in the SHMA 2016, uses migration assumptions based on the 2001/02–20**14/15** history (i.e. a fourteen-year period). The SHMA 2017 Update includes an additional year of historical population, births, deaths and crucially migration estimates. Therefore, the migration assumptions under the

PG Long Term scenario presented in the SHMA 2017 Update, are based on the 2001/02–20**15/16** historical period (i.e. a fifteen-year period). This captures the notable increase in net migration to Craven evidenced in 2015/16, resulting in overall higher population change forecast over the plan period (9.8%), than previously estimated under the PG Long Term presented in the SHMA 2016 (9.1%).

3. As a result, higher dwelling growth is estimated under the PG Long Term scenario presented in the SHMA 2017 Update (+199 dpa), compared to the +188 in the SHMA 2016.

4. Secondly, the SHMA 2017 Update applies headship rates adjustments (i.e. the Partial Return) to the PG Long Term scenario, which results in a slight uplift to the dwelling growth outcome (from +199 dpa to +202 dpa).

Q7. How has the need for accommodation for older people, especially older people who want to stay in their own home, been taken into account in establishing the housing requirement? Is this set out in the Local Plan?

Council's Response

1. The housing requirement has been derived from the OAN which is based on household projections. The DCLG household projections take account of the changes in household headship by age group. Therefore, the need for housing for older people forms part of the overall 242 dwellings per annum (dpa) OAN for the District as a whole and the OAN of 206 dpa for the plan area. The conclusions of the SHMA on housing mix has taken into account the housing needs of older people.

2. By reference to the SHMA, para 6.4 of the Local Plan refers to Arc4 research which suggests that the majority of older people (generally upwards of 65%) want to stay in their own homes with support and assistance when needed. This figure was quoted in the SHMA as it points to a likely need to increase the range of support for those older people who want to remain in their current home. Additionally, the SHMA recommends in para 7.27 that it is important that councils continue to diversify the range of older persons' housing provision. This also has the potential to free-up larger family accommodation as older households move.

Issue 3 – Market Signals

Q1. The PPG (Paragraph: 019 Reference ID: 2a-019-20140306) advises that household projections should be adjusted to reflect appropriate market signals, as well as other market indicators. How does the evidence demonstrate that Craven is performing with regard to:
- **Land prices;**
- **House prices;**
- **Rents;**
- **Affordability;**
- **Rate of development**
- **Overcrowding.**

Council's Response

1. Chapter 5 of the SHMA (Ho013) set out market signal evidence and past trends in delivery. Specific market signals considered were house prices, rents, affordability and overcrowding.

2. Key conclusions were:

   - House prices have been increasing annually since 2013 and in 2016, lower quartile prices were £138k and median prices £182.5k.
   - Affordability has been worsening as measured by the House Price Ratio (median earnings to median price) and was 8.3 in 2016. The rental affordability ratio (lower quartile rents to lower quartile earnings) has also worsened and measured 36.3% in 2016
   - Vacancy rate in 2016 was 3.4% compared with the national average of 2.6%
   - Overcrowding was 1.7% in 2011 compared with 4.6% across England
   - The number of households on the housing register was 554 in 2016 and has declined from 1,092 in 2013.

3. Analysis indicated that affordability was a key market signal which warranted an uplift to household projections in line with PPG and Local Plan Experts Group (LPEG) recommendations.

4. Regarding past trends in delivery, over the period 2007/08 to the end of 2016, a total of 1,391 dwellings have been built in Craven District (432 were affordable representing 31% of completions (SHMA para 5.17) SHMA para 5.19 comments *"Regarding past trends in delivery, this has tended to lag behind existing targets. There are however no development constraints as the Council has an adequate 5 year land supply and under-delivery is more likely to relate to market conditions and developer appetite for delivery.'*

Issue 4 – Affordability

Q1. How has affordability been assessed as part of the SHMA? How does the House Price Ratio and the Rental Affordability Ratio compare with neighbouring authorities and the national average?

Council's Response

1. Affordability was measured in two ways following recommendations from the Local Plan Experts Group (LPEG):

   - House Price Ratio (median earnings to median price); and
   - Rental affordability ratio (lower quartile rents to lower quartile earnings).

2. At 8.3, Craven has the second highest House Price Ratio of comparator areas and higher than the regional (5.6) and national figure 7.2). It also had the highest Rental Affordability Ratio (RAR) (36.3%) of all comparator districts and the region (27.6%) but slightly lower than the national ratio (38.5%). Data for comparator areas, including neighbouring authorities, have been provided in the SHMA 2017) (Ho013) at Table 5.2.

Q2 How have ratios determined the level of uplift proposed to the demographic starting point? Is the proposed uplift justified and based on available evidence?

Council's Response

1. In determining the level of uplift proposed to the demographic starting point, and in the absence of specific guidance in PPG, recommendations from the Local Plan Experts Group (LPEG) has been considered. Appendix 6 of the LPEG document suggests that 'LPAs should apply an upward adjustment to the demographic starting point in line with the following benchmarks:

   - Where the House Price Ratio (HPR) is less than 5.3 and the Rental Affordability Ratio (RAR) is less than 25%, no uplift is required;
   - Where HPR is at or above 5.3 and less than 7.0, AND/OR the RAR is at or above 25% and less than 30%, a 10% uplift should be applied;
   - Where HPR is at or above 7.0 and less than 8.7, AND/OR the RAR is at or above 30% and less than 35%, a 20% uplift should be applied; and
   - Where the HPR is at or above 8.7, AND/OR the RAR is at or above 35%, a 25% uplift should be applied.'

2. The LPEG document provided guidance only and did not specify the time period over which the HPR and RAR should be assessed. However, it provided a helpful benchmark against which uplifts can be determined.

3. For Craven the HPR ratio is 8.3 (2016 data) and the RAR is 36.3% (2015 data).

Over the period 2010-2016, the HPR has averaged 7.48 and the RAR has averaged 34.2%. It was therefore prudent to consider an uplift and the evidence suggested that an uplift of 20% was appropriate based on the 2016 and 2010-16 average HPR figure. Although the RAR ratio was 36.4% (which would warrant a 25% uplift), the longer-term trend was lower and consistent with the HPR analysis that indicated that a 20% uplift would be appropriate.

Q3. What impact will the proposed uplift have on issues relating to affordability in Craven?

Council's Response

1. On the basis of a 20% uplift to the demographic base linked to underlying house price ratios, this results in an additional 40 dwellings each year. Under a 30% affordable housing policy, this would result in an additional 12 dwellings a year. Additionally, Policy H2 of the Submission Draft Plan supports Registered Providers in bringing forward wholly affordable schemes in Craven's market towns and villages along with development on rural exceptions sites. There is also potential for Council-funded affordable housing programmes to impact on the supply of affordable housing. The proposed uplift will therefore provide additional opportunities to deliver affordable housing across the district. However, it is not expected that the proposed uplift will have an impact of lowering house prices or private sector rents, as these are governed by wider housing market factors.

Issue 5 – Future Economic Activity

Q1. The PPG advises that plan makers should also make an assessment of the likely change in job numbers based on past trends and/or economic forecasts as appropriate. (Paragraph: 018 Reference ID: 2a-018-20140306).

What is the justification for the different employment –led growth scenarios in the SHMA? (paragraph 6.16)

Council's Response

1 The SHMA and Employment Land Studies have been co-ordinated and based on common data (the Regional Econometric Model) and scenarios in order to better understand the relationship between housing and employment and to support an appropriate balance of development. Whilst recognising that there is not a straightforward direct causal relationship between job growth and housing need, it is generally understood that the two are nevertheless fundamentally related. A level of housing provision that bears no relation to Craven District's economic needs would result in internal inconsistencies in the Local Plan and

have unsustainable consequences. For this reason the job growth scenarios underpinning Craven's Employment Land Review were integrated into the SHMA modelling to ensure the employment land and housing requirements aligned.

2. Economic activity rates are a key assumption in linking economic growth and population change. The Regional Econometric Model (REM) provides an indication of future economic activity rates in Craven within its economic forecasting model. In addition, the Office for Budget Responsibility (OBR) published long-term forecasts on participation rates in it 2017 Fiscal Sustainability report. These provide a national outlook on future changes to economic activity rates by age group and sex.

3. Given the uncertainty around future economic participation, it is deemed appropriate to consider the impact of alternative economic activity rates on the relationship between employment growth in Craven and population change.

4. Therefore two employment-led scenarios were presented in the SHMA, using the <u>same</u> annual employment growth trajectory from the REM (a total growth of +190 over the forecast period), with only assumptions on future <u>economic activity rates differing</u>.

5.. Under the '*Employment-led'* scenario, economic activity rates derived from the REM are applied. Under the '*Employment-led OBR'* scenario, economic activity rate adjustments are made in line with the OBR labour market analysis in the 2017 Fiscal Sustainability Report.

Q2. Has the SHMA taken into account possible economic growth based on an assessment of past take-up rates? If so, how does this differ? What are the implications for the OAN and housing requirement?

Council's Response

1. The Employment land Review and subsequent Update (Ec002 and Ec003) took into account possible economic growth based on an assessment of past take up rates. This is a separate scenario in these documents that informed the employment land requirement range (sitting within the overall 27-32 ha recommendation, at 28.0 ha in the ELR Addendum (Ec003)). However, these past take up rates were not taken into account in the SHMA itself. Instead the SHMA took account of two scenarios derived from the Regional Econometric Model 2017. These economic forecasts themselves take account of/incorporate data on past trends. Hence in accordance with Paragraph: 018 Reference ID 2a-018-20140306 of the archived PPG the SHMA has been based on past trends and economic forecasts. This is summarised below.

2. As stated in response to Q1 above, two scenarios derived from the Regional Economic Model 2017 have been taken into account. Hence the Nov 2017

SHMA (Ho013) relies on these scenarios to conform with the NPPF and the PPG regarding taking account of employment in assessing the need for housing. The relevant conclusions on this matter are provided in paragraph 3 below.

3. Paragraph 6.18, page 82, of the Nov 2017 SHMA (Ho013) states that:
"Having considered the REM March 2017 economic forecasts, it can be concluded that:

> VI The REM 2017 results in a dwelling need of between 149 (employment led) and 161 (employment-led (OBR)). This is higher than the SNPP 2014-rebased need, but below the dwelling need under the PG Short-term and Long Term scenarios.

> VII In summary, an assessment of the '*likely change in job numbers based on past trends and/or economic forecasts as appropriate and also having regard to the growth of the working age population in the housing market area*' would suggest that no further adjustment is required to take account of employment trends as these are lower than the adjustments which take into account migration trends".

4. Table 6.3 on page 82 of Ho013 illustrates that the PG Long Term scenario (that was selected to uplift the 'SNPP-2014-Rebased' scenario in the SHMA's OAN assessment) indicates an average annual dwelling requirement of 199. The highest REM (employment led) scenario indicates an annual average dwelling requirement of 161.

Issue 6 – Yorkshire Dales National Park Authority

Q1. What is the justification for the estimated level of growth likely to take place in the Yorkshire Dales National Park (15%)? What is it based on and is it robust?

Council's Response

1. Edge Analytics developed a range of demographic and employment-led scenarios for Craven district in total. This provided a population and dwelling growth range outcome for the 2012–2032 plan period.

2. A proportional split of the population growth trajectory under each of the scenarios (using output area assumptions on fertility, mortality and migration), was calculated for Craven's four sub-district areas, using area-specific household formation assumptions and vacancy rate to estimate the associated dwelling growth. This method is considered robust and is an industry recognised method of forecasting sub-district population and household growth.

3. For the Yorkshire Dales National Park (YDNP) within Craven, the average annual dwelling growth under each of the scenarios ranged from 18–31 dpa. Using the average of the dwelling growth estimated under key scenarios, the proportion of Craven's total dwelling growth could be calculated for the YDNP. This was 15%. (See also Council's response to the Inspector's initial questions (Paragraphs 3.10 to 3.14 of EL1.001b)

Q2. What level of agreement has the Council reached with the National Park Authority regarding the use of a 15% figure?

Council's Response

1. The Council has not considered it necessary to have a formal agreement with the YDNP authority regarding the use of this 15% figure from the Craven District SHMA Update 2017 (Ho013). For the reasons explained in CDC's response to the Inspector's initial questions (Paragraphs 3.15 to 3.18, and 3.24 of EL1.001b), the two local planning authorities have produced their own separate estimates of objectively assessed need for housing, using different approaches. (This response was a joint response from CDC and the YDNP authority). The OAN assessments lack directly comparable figures. As a result and rather than any formal agreement, both authorities have made each other aware of their approaches to evidence base gathering on OAN throughout the plan preparation process. As can be seen from paragraph 2.2 of the Memorandum of Understanding (Appendix 1 to Duty to Co-operate Statement: SD006) the YDNP authority has been aware of this Council's 15% apportionment of the District's OAN to the National Park since 2015. No concerns over the Council's 15% apportionment figure in its evidence base are being raised by the YDNP authority, nor have any representations been received from the YDNP authority at the Publication Draft Plan stage on this matter.

Q3. Does the adopted development plan for the National Park set out a housing requirement for the area falling 'within' Craven?

Council's Response

1. Policy SP3 Spatial Strategy of the YDNP Local Plan (Page 11 of Ot007) indicates that '*To expand the supply of housing to meet a target of 55 new dwellings per year 9, new build housing will be permitted on allocated sites and inside the housing development boundaries of Local Service Centres and Service Centres in Table 1. …….*'
(Footnote 9 states 'Disaggregated as 18dpa Richmondshire Housing Market Area; 27dpa Craven/Lancaster HMA, 10 dpa South Lakeland Dales HMA).
Paragraph 3.23 of EL1.001b also provides information relevant to this question.

2. The YDNP authority has confirmed that this policy does not constitute a formal housing requirement/apportionment for the area falling 'within' Craven.

Q4. How does the 15% compare with planned levels of growth in the National Park? Can it be delivered?

Council's Response

1. Paragraphs 3.20 to 3.29 of EL1.001b responds to the first question here.

2. As regards whether this 15% of the Craven District Housing Market Area OAN (referred to below as 'the OAN') can be delivered, there is some overlap in answering this question with the Council's response contained in EL1.001. By providing a higher proposed housing requirement than that required to meet the 85% of 'the OAN' within the Craven Local Plan area, Policy SP1 of the Submission Draft Plan can be seen to be planning to deliver 24 dpa of the 36 dpa (15% of 'the OAN') which the demographic assessment (De001) indicates falls within the YDNP.

3. It is CDC's view that, through the proposed allocations for housing in Policy SP5 of this plan and windfall housing development supported in Policy SP4, including specialist housing for older people (Policy H1) and rural exception housing (Policy H2), will together deliver these 24 dwellings per annum.

4. The remaining 12 dwellings per annum to meet 'the OAN' will be delivered within the 'Craven part' of the YDNP through the policies of the Park's Local Plan. As stated in response to Q3 on this issue, the YDNP Local Plan indicates that the 55 dpa 'Park wide' housing target, is disaggregated to various figures relevant to the three constituent Housing Market Areas (HMA's) in the YDNP. 27 dpa is the figure given for the Craven/Lancaster HMA and the YDNP authority envisage all of this housing being provided within Craven District. If achieved, this would result in 15 more dwellings delivered per annum than the 'remaining 12 dwellings' not being delivered in the Craven Local Plan area through Policy SP1.

5. The YDNP authority has supplied the Council with completion figures since 2013/14 which show that an average annual completion rate within Craven District is 16/17 dpa. The YDNP has also informed the Council that there is currently a gross planned supply of housing within Craven District of 167 units (92 with extant permissions and 75 on Local Plan allocated sites). This amount of housing could provide 14 years housing at an average annual rate of 12 dpa.

6. The YDNP authority is committed to a review of housing policy by the end of 2021 which will review housing land supply, and result in further housing land releases and changes to development boundaries. The YDNP Local Plan

Examination Inspector required this position to be made clear in the Park's Local Plan. Whilst this reflected his concerns over the delivery of housing in the National Park prior to these changes, an early review of the Park's Local Plan on housing policy now provides a good degree of certainty that more than 12 dpa within that part of the Craven District within the YDNP will be delivered.

7. Hence, 15% (36 dpa) of 'the OAN' can be delivered through the relevant policies and emerging policies and policy reviews of the two planning authorities and their respective housing land supply positions (YDNP – as above; CDC – as in response to Matter 6 of this Examination's MIQ's).

Q5. How does the Local Plan for Craven ensure that the full objectively assessed needs for housing across the District will be met?

Council's Response

1. Section 9 of the Draft Local Plan (PD001) sets out the Council's commitment to monitoring how local plan objectives and policies are performing. Both CDC and the YDNP authority will monitor housing completions on an annual basis and share the data to be included in each Authority's Annual Monitoring Report.

2. For the reasons given in response to Q4 on this Issue, the Council considers there is a good degree of confidence that 'the OAN' will be met. However, in order to plan for the contingency of 'the OAN' not being met, it is considered that Section 9 of the Draft Plan should be modified to reflect the two planning authorities commitment to continue cooperating on housing supply monitoring and delivery, and ultimately plan review if necessary.

Proposed Main Modification
Page 232 of the Submission Draft Local Plan : Insert New Paragraph 9.5 9.5 It is a requirement of the NPPF that local housing needs should be met. The local housing needs in Craven District will be met through the housing policies of this Local Plan and the Yorkshire Dales National Park (YDNP) Local Plan (Adopted 2016). Craven District Council will work closely with the YDNP authority in monitoring the supply of housing to ensure that these local needs are met. The YDNP authority is committed to reviewing the housing policies of its plan in 2021, and this will result in further land releases and amendments to development boundaries. Craven District Council will assess the implications of this review as well as reviewing its own housing supply position soon after, and subject to the outcome of these reviews, may need to update the housing policies of this plan.

Issue 7 – Housing Requirement

Q1. Is the housing requirement justified and is it based on robust, up-to-date and available evidence? If not, what should the housing requirement be, and how have alternative figures been calculated?

Council's Response

1. The Council consider the Craven Local Plan's housing requirement of 230 dwellings per annum between 2012 and 2032 is justified and based on robust, up to date and available evidence. Hence the Council do not consider an alternative figure is appropriate.

2. The first stage in determining a plan's housing requirement is to identify an objectively assessed housing need in accordance with the NPPF and the PPG. The Council's responses to questions above, to the Inspector's initial questions (EL1001b), and the relevant evidence base documents submitted with the draft plan on demographics, the economy and housing need all provide robust, up to date and available evidence on the district's and plan area's housing need.

3. The second stage in determining a plan's housing requirement is to assess whether policy or other considerations justify a housing requirement which is higher or lower, or the same as the objectively assessed housing need. Craven District Council has undertaken this second stage work in the following documents:

   - Housing Growth Options Paper (June 2017) (Ho005), and
   - Housing Growth Options Paper: Addendum (November 2017) (Ho004)

4. These assessments, which include a sustainability appraisal of each housing growth option, provide a robust justification for the housing growth option selected as the plan's housing requirement.

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