



Gladman Developments Ltd

Derbyshire Dales Local Plan Examination

Matter 3 Objectively Assessed Need (OAN) and the Housing Requirement

1. The Housing Market Area

This issue is covered under Matter 1.

2. The OAN and 2014-based household projections

Is the Council's analysis of the implications of the 2014-based household projections contained within EX/03 robust? Does the analysis have any implications for the housing requirement?

1. The analysis that has been undertaken in the above document is noted. It is apparent from this evidence that negative trends are continuing in relation to relevant market signals in the district and that the need to support affordable housing delivery remains significant. It would therefore not be appropriate to reduce the minimum requirement of 6440 that is contained in the Local Plan as submitted:
 - An appropriate uplift is required in relation to household formation in the age group 25 – 34 years in response to projected decline over the plan period.
 - An appropriate uplift is required to address affordability pressures in response to rising house prices, increasing private sector rents and the house price to income ratio of 9.2.
 - An appropriate uplift is required to the local plan requirement to ensure that affordable housing needs can be addressed.

- The matters above are considered to be critical to the delivery of the strategic objectives of the Plan: *“SO7: To ensure that there is an adequate mix of housing types, sizes and tenures to meet the needs of all sectors of the community”*. Any reduction would not represent a positive approach to meeting this objective over the plan period.

3. Adjustments in the OAN to take into account economic growth, affordable housing needs and market signals

Have sufficient upward adjustments been made in the OAN to take into account economic growth, affordable housing needs and market signals? In particular is the OAN adjustment of 21 homes per annum to improve affordability sufficient?

2. The PPG states indicators or signals of how the housing market is performing and behaving should be assessed. It states that *“Appropriate comparisons of indicators [of demand] should be made. This includes comparison with longer term trends in the: housing market area; similar demographic and economic areas; and nationally. A worsening trend in any of these indicators will require upward adjustment to planned housing numbers compared to ones based solely on household projections.”...“The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be”*¹
3. There are considered to be significant pressures within the housing market and an uplift higher than that proposed would be justified. It is noted that affordability is significantly higher in Derbyshire Dales than comparator authorities². The ratio of lower quartile house price to lower quartile earnings by Local Authority 2015 demonstrates that affordability is a particular issue in Derbyshire Dales a meaningful uplift to OAN is therefore required to address this issue. Indeed, the HEDNA identifies that median house prices in Derbyshire Dales are 8.6 times the median earnings in the District, compared to a national rate of 6.5

¹ PPG Reference ID: 2a-020-20140306

² HEDNA, P.126, paragraph 6.9

and a county rate of 5.5³. The lower quartile ratio is slightly worse at 9.3⁴, indicating the problem is more acute at the lower end of the market. In this regard, the increase proposed would not seem sufficient given the market signals adjustments considered elsewhere in England by Inspectors where a 10% adjustment is considered appropriate for “modest” market pressures and 20% for “greater than modest” pressures.⁵

4. An affordable housing uplift is required to suitably address the net need from 101 households per annum requiring support to meet their housing needs using the modelled approach; rising to 112 per annum if data from the Housing Register is used⁶.
5. Further to our response to Question 2, Gladman would be opposed to any reduction in the overall minimum housing target of 6440 that is contained in the Plan as submitted. Any such reduction would reduce the ability of the Plan to meet its strategic objectives and reduce the ability to improve affordability and address affordable housing needs.

4. The needs of older people

Have the needs of older people been taken into account in the OAN having regard to growth in population of this age group? Should those older people who require care home bed spaces be included in the OAN?

6. Gladman have raised concerns that the net need for 436 C2 bedspaces for older persons over the 2013-33 period, equivalent to 22 per year has not been taken into account within the OAN⁷.

³ HEDNA, P.285, paragraph 17.18

⁴ HEDNA, P.285, paragraph 17.48

⁵ 10% has been concluded by inspectors in Uttlesford and Eastleigh and 20% in Canterbury

⁶ HEDNA, Page 116, paragraph 5.50

⁷ HEDNA, Page 292, paragraph 17.90