

**North East Derbyshire District Council**

**Communities Scrutiny Committee**

**18 September 2024**

**Update in relation to the Council's five-year housing land supply**

**Report of the Assistant Director of Planning**

**Classification:** This report is public

**Report By:** Assistant Director of Planning.

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**PURPOSE / SUMMARY**

To inform Members of the current position relating to the Council's five-year housing land supply and the potential implications of the current government consultation on revisions to the National Planning Policy Framework.

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**RECOMMENDATIONS**

1. That Members note the contents of the report.

**IMPLICATIONS**

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**Finance and Risk:** Yes  No

**Details:**

No financial implications arise from this report.

On Behalf of the Section 151 Officer

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**Legal (including Data Protection):** Yes  No

**Details:**

The Council must have regard to the requirements of Planning Legislation and the requirements of the National Planning Policy Framework in relation to the monitoring of a five-year housing land supply.

On Behalf of the Solicitor to the Council

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**Staffing:**    Yes             No

Details: Resources are required to undertake the monitoring of progress on development sites so that the Council has robust evidence around delivery rates and performance against the Local Plan target of delivering 330 new homes each year of the Plan period.

On behalf of the Head of Paid Service

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## REPORT DETAILS

### 1    **Background** *(reasons for bringing the report)*

- 1.1    The starting point for calculating the five-year housing land supply position is to determine the housing requirement. Where the Local Plan is less than five years old, this is set out in the adopted strategic policies. Strategic policies in the North East Derbyshire Local Plan 2014 - 2034 were adopted on 29th November 2021, and include a strategic requirement to deliver a minimum of 6,600 dwellings over the 20-year Plan period which is 330 dwellings per year.
- 1.2    Prior to the December 2023 revision of the National Planning Policy Framework, all Local Planning Authorities were required to identify and update annually a supply of specific deliverable sites, sufficient to provide a minimum of five years' worth of housing land against their requirement. The December 2023 revision to national policy removed that requirement for Plans, such as North East Derbyshire's, that are less than 5 years old.
- 1.3    The purpose of this revision was to incentivise Councils to adopt a Local Plan and keep it up to date. It is important to note however that boosting the supply of housing remains a core objective of the National Planning Policy Framework and therefore not having to demonstrate an annual supply position does not necessarily mean that an applicant could not demonstrate a need for housing in this (or any other) district. It is also important to consider that without any monitoring, a Council could find itself leaving the period of 'protection' and having a significant gap between its annual target and the actual supply rate.
- 1.4    As of 01 April 2023, the Council had 5.76 years supply of housing land. Evidence from 2023/24 will be included in the Annual Monitoring Report that will be presented to Cabinet on 19 October, but officers conclude that the Council can still demonstrate that it has a supply in excess of five years although, as anticipated last year, it has reduced.
- 1.5    The current trajectory is that the position will continue to decline until such time as sites other than those allocated in the Local Plan come forward, in order to maintain delivery against the annual target of 330. Given the proposed changes to the National Planning Policy Framework currently being consulted on (covered in more detail later in this report), the call for sites process is going to need more urgency than would have potentially been the case. Subject to

discussions with the Leader and Portfolio Holder, it is likely that a call for sites (covering a range of land uses including housing, employment and biodiversity offsetting land) will need to commence in the next month or so and emails will be sent to all Councillors and Parish Councils giving prior notice.

- 1.6 It is important to note that the call for sites is a very early stage in process of investigating potential locations for future development in the district. It is evidence gathering only. The assessment of any sites that come forward will follow. This will include a sifting exercise that will identify sites that are worthy of further consideration. Once a directory of those sites has been established (based on their planning merits), consultation will be undertaken with all relevant stakeholders (including Members and Parish Councils) at the appropriate time.

## **2. Implications of the current consultation on changes to national planning policy.**

- 2.1 As mentioned above, the government are currently consulting on a number of changes to the planning system. These changes include revisions to the National Planning Policy Framework (NPPF), which is a material consideration when assessing planning applications and also the mechanics of how housing targets are to be calculated. The consultation also includes changes to the Plan making process.
- 2.2 As proposed, the changes to the 'standard method' for calculating housing need would have a significant impact on the annual housing target for the district. The current method is based on a combination of future population projections, an adjustment for affordability and a cap. The proposed method would replace the population projection with a figure that equates to an annual growth in housing stock in the district of 0.8%. The 0.8% figure would be applied to the stock levels of all Council areas under the proposed method.
- 2.3 The government consultation includes a table that indicates the current target and the target that would apply under the proposed method. The table can be accessed via the link below:

### **Outcome of the proposed revised method**

As per the spreadsheet, the target for North East Derbyshire under the current standard method is 224 dwellings per annum. Under the proposed new method, this would rise to 622 dwellings per annum, an increase of circa 178%.

- 2.4 Some examples of the impact of the proposed method on other authorities in the region are listed below:

#### **Bolsover District**

Existing method: 195; Proposed: 404 (circa 107% increase).

#### **Chesterfield Borough:**

Existing method: 211; Proposed: 558 (circa 165% increase).  
Derbyshire Dales District

Existing method: 216; Proposed: 571 (circa 164% increase).

High Peak Borough

Existing method: 243; Proposed: 585 (circa 141% increase).

Amber Valley Borough

Existing method: 351; Proposed: 682 (circa 94% increase).

South Derbyshire District

Existing method: 507; Proposed: 606 (circa 20% increase).

Erewash Borough

Existing method: 376; Proposed: 569 (circa 51% increase).

Bassetlaw District

Existing method: 260; Proposed: 665 (circa 156% increase).

Mansfield District

Existing method: 259; Proposed: 540 (circa 108% increase).

- 2.5 As can be seen from the above, not dissimilar increases in the annual target for housing delivery are proposed for a number of other authorities within the region. This increase reflects the change from a population-based calculation to a stock-based approach. The removal of the 35% urban uplift that currently applies to Sheffield, Nottingham and Derby is also relevant. Sheffield's target would drop by approximately 360 per annum, Derby's by approximately 180 per annum.
- 2.6 It is however important to note that, whilst the current consultation does refer to the strengthening of the duty to co-operate, there is no new obligation on councils that neighbour urban areas to accept any unmet need from those (or any other) area. The proposals are aligned to the greater emphasis on strategic planning on a regional level, which is a longer-term objective of the Government.
- 2.7 The current consultation is not proposing any transition arrangements from the application of the current standard method to the proposed calculation, unless a Council has an emerging Plan at an advanced stage of preparation. Even in that situation, unless a Plan is at the very final stages, the draft Plan has to be delivering within 200 dwellings per annum of the new housing target for that area.

- 2.8 The position in North East Derbyshire is that our current Plan is almost 3 years old. Officers have been working on updating the evidence base that will underpin a future iteration of the Local Plan since the latter part of 2023, following consultation with the Local Plan Working Group and approval of an Action Plan in this regard by Cabinet. A formal Review of the Plan was not triggered at that time due to uncertainty about the changes being proposed to the plan making process by the previous Government.
- 2.9 Those proposals were for a new ‘streamlined’ plan making process (based on a 30-month timetable from start to adoption) to be introduced in Autumn 2024. The current Government consultation suggests that a similar new system will be in place but from October 2025. The consultation is also suggesting an extension of the time that Councils could submit a Plan for examination under the current system from summer 2025 to the end of 2026 – an extension of approximately 18 months.
- 2.10 Officers are considering the advice to give to Cabinet and members of the Local Plan Working Group and a formal decision process needs to be followed. From an officer perspective, we need to reduce the period of time where we are vulnerable to ‘speculative’ development that we would otherwise be seeking to resist as contrary to a sustainable development strategy to as short as possible. This period would start on the adoption of the new National Planning Policy Framework (unless the transition arrangements in the consultation version are altered significantly) and is not likely to end until the adoption of a new Local Plan and the associated allocation of land for housing.
- 2.11 Officers are currently working on a project plan for the work required to get a Local Plan to examination stage by the end of 2026.

### **Reasons for Recommendation**

- 3.1 To ensure that Members are aware of the current position regarding 5-year housing land supply in the district and the implications of the current Government consultation on reforms to the planning system in this regard.

### **4 Alternative Options and Reasons for Rejection**

- 4.1 None relevant.

### **DOCUMENT INFORMATION**

<b>Appendix No</b>	<b>Title</b>
None	
<b>Background Papers</b> (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet you must provide copies of the background papers)	