

Report of the Chief Executive

EMERGING APPROACH TO PROGRESSING THE GREATER NOTTINGHAM ALIGNED CORE STRATEGIES (HOUSING PROVISION POSITION PAPER)1. Purpose of Report

To present a draft housing provision position paper (appendix 1), seek approval to use the approach as set out to progress the Greater Nottingham Aligned Core Strategies and propose a consultation on a revised Policy 1 on climate change (appendix 2). This is in accordance with the Council's place shaping and housing priorities.

2. Background

The main findings of draft housing provision position paper are that, at a Greater Nottingham level, the housing provision figures set out in the draft Aligned Core Strategies (ACS) are supported by local evidence and continue to be appropriate figures to plan for, albeit they are considerably lower than the housing figures implied by the government's 2008 household projections. Providing the government's level of housing (nearly 20,000 extra new homes above draft ACS level) is not considered feasible in the light of current market conditions, nor desirable in terms of the scale of greenfield development required. In Broxtowe this would amount to very significant release of green belt sites and would also require a wholesale review of the evidence supporting the ACS, such as infrastructure delivery, sustainability appraisals and habitat regulations assessment. This would cause significant delay.

The draft ACS housing figures are challenging to deliver, given the proposed significant increase in housing delivery over past rates and the requirement for greenfield development. However, they are sufficient to allow for economic and job growth in line with the Council's wider aspirations and, given an early return to favourable market conditions and a supply of readily available sites, the figures are felt to be achievable. Planning Policy Working Group (PPWG) has been kept regularly updated of work to progress the Core Strategy at their meetings in November 2010, March 2011 and June 2011. The recommendation below has been endorsed by the PPWG.

The climate change policy has been amended following consideration of consultation responses and the government's emerging policies. Other policies are also being amended to prepare a publication Core Strategy and these will be the subject of a future statutory consultation.

Recommendation

The cabinet is asked to RESOLVE that:

- 1. The draft housing provision position statement be published as the Broxtowe approach to progressing the Greater Nottingham Aligned Core Strategies.**
- 2. In parallel, consultation takes place for an eight week period on a revised Policy 1 on climate change.**

Background papers - Edge Consulting report re population projections

APPENDIX 1

Key points arising from Local Housing Evidence

1. Household projections published by the Department of Communities and Local Government (CLG) in November 2010 point to a housing need of 71,706 dwellings in Greater Nottingham. This level of provision is considered to be completely undeliverable, will require a comprehensive revisit of the evidence base to inform the ACS and therefore delay and will lead to a requirement to allocate sites for nearly 20,000 extra houses almost all of which would need to be in current areas of green belt, as appropriate urban opportunities have been taken into account already. It is reasonable to assume that a significant proportion of these 'extra' houses would need to be allocated in Broxtowe.
2. Our local evidence indicates a figure of 52,050 as specified in the Option for Consultation ACS strikes the appropriate balance between providing enough housing to allow for an expanding local economy and the provision of new jobs, is ambitious but also deliverable.
3. These 52,050 dwellings are based on Regional Plan requirements. The Regional Plan remains part of the development plan for the time being and importantly contains a mechanism whereby this provision is distributed between the Greater Nottingham Authorities (with the lowest figure allocated to Broxtowe). To propose a 'balanced migration' figure without the distribution proposed in the Regional Plan there is not currently a realistic likelihood of any of the partner authorities agreeing a re-distribution, as other than the Regional Plan, there is no development plan mechanism to do so.
4. Any figure significantly below this would put economic growth at risk and lead to ever increasing housing affordability problems.
5. In the absence of sufficient allocated sites to meet the identified housing need, the borough council will be under pressure to approve applications for new housing schemes on unallocated sites including those in the green belt, as currently we are unable to demonstrate a five year supply of deliverable housing sites. This is a matter that Inspectors will attach considerable weight to when considering any appeals.

APPENDIX 2

GREATER NOTTINGHAM ALIGNED CORE STRATEGIES

HOUSING PROVISION POSITION PAPER

JULY 2011

WHAT THIS PAPER DOES:-

- **Explains the current position with regard to housing provision figures in the draft aligned Core Strategies.**
- **Describes the further work that the partner Councils commissioned to test those housing provision figures, and presents the findings of that work.**
- **Explains the different approaches being taken by Ashfield District Council and Rushcliffe Borough Council.**
- **Explains why Broxtowe, Erewash and Gedling Borough Councils and Nottingham City Council think the draft aligned Core Strategies housing provision figures are still the most appropriate figures to plan for.**
- **Presents ‘rebased’ housing provision figures, updating the draft Aligned Core Strategies figures (which covered the period from 2009 to 2026) to figures which cover the period from 2011 to 2028.**
- **Explains the Councils’ approach to the distribution of housing within their areas (the Principal Urban Area/Non Principal Urban Area split).**
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1 INTRODUCTION

1.1 The councils of Broxtowe, Erewash, Gedling, Nottingham City and Rushcliffe have been working with Derbyshire and Nottinghamshire County Councils to prepare a new aligned and consistent planning strategy for Greater Nottingham, known as the Greater Nottingham Aligned Core Strategies. They have also been working with Ashfield District Council to ensure alignment with the Hucknall part of Ashfield. Ashfield are separately considering housing options across the whole of their district and will be publishing the outcome of this work in due course.

1.2 All the partner councils agreed to consult on an 'Option for Consultation's draft of the Aligned Core Strategies which, amongst other matters, set out the amount of new housing each Council would provide between 2009 and 2026 based on the Regional Strategy (East Midlands Regional Plan 2009). The draft Aligned Core Strategy was published in February 2010. Ashfield District Council also published a 'Preferred Option' Core Strategy on March 2010.

1.3 The coalition government have made it clear that Regional Strategies will be revoked and the Localism Bill will enable this to happen when it comes into force, which is expected to be towards the end of 2011 (a Strategic Environmental Assessment will also be required). The Bill will also promote a more 'localist' approach to planning with the introduction of Neighbourhood Plans and an expectation that local communities will be more closely involved in the planning process. Alongside these changes, the government has published new 2008-based household projections. These replace the 2004-based projections which were used in the preparation of the Regional Strategy. The government had also previously published 2006 based household projections but these were not used for plan making in Greater Nottingham.

1.4 As a result the councils have collectively decided to review the housing figures in the draft Aligned Core Strategies to assess whether they remain an appropriate basis for planning for housing. This paper sets out the findings of that review, explains the approach being taken by Broxtowe, Erewash, Gedling and Nottingham City Councils, and the different approach being taken in Rushcliffe, and sets out the next steps the councils will take in progressing the Aligned Core Strategies.

2 BACKGROUND TO REVIEWING HOUSING PROVISION

Government Guidance for Planning for Housing

2.1 Although the government is to revoke Regional Strategies, meaning that in the future decisions on housing numbers will be made by the district and city councils, it has also made it clear that more new homes need to be built and that for some councils the Regional Strategy housing numbers may be their preferred approach.

2.2 Recent guidance also states that plans for new housing should be based on reliable information and that councils will have to defend and justify them during the Local Development Framework (LDF) examination process, in line with current government policy in Planning Policy Statement 3 “Housing” (PPS3).

2.3 PPS3 sets out the information which the councils, working together, need to take into account in preparing plans for new housing.

2.4 These include:

- Evidence of current and future levels of need and demand for housing and affordability levels, set out in Strategic Housing Market Assessments and other relevant market information;
- The government’s latest published household projections and the needs of the regional economy;
- Evidence of the availability of suitable land for housing using Strategic Housing Land Availability Assessments and other information;
- The government’s overall ambitions for affordability, including the need to improve affordability and increase housing supply.
- A Sustainability Appraisal of the environmental, social and economic implications.
- An assessment of the impact of development upon existing or planned infrastructure and of any new infrastructure required.

2.5 The government’s latest household projections are an important part of the evidence base and it is normal practice for Inspectors at examination to expect strong justification if councils wish to depart significantly from the levels of housing provision suggested by them.

The Government’s Household Projections

2.6 Household projections are produced by applying projected household formation rates¹ to the population projections published by the Office for National Statistics. The assumptions underlying national household and population projections are demographic trend based.

2.7 They do not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. They provide the household numbers and structures that would result, assuming that trends happening over the past 5 years will continue into the future. The 2008 based projections cover the period to 2033.

¹ Household Formation Rates are the rate at which the number of new households form due to increased population through more births than deaths and in-migration, marital break up, people getting married later in life, and an aging population. For planning purposes, it is assumed that all new households will require a home of their own.

2.8 Past examinations in public of structure plans and regional strategies have highlighted issues around using household projections to determine future housing provision. Central to this is the fact that the projections are not forecasts of what will happen, they show what would happen if past trends continue. They project forward what has happened over the past 5 years, over a 25 year period. If trends over the past 5 years are abnormal in any way, this will be exacerbated in the projections. For instance, it has been argued by objectors that the five year period used reflects a time of particularly high in-migration, which is unlikely to be continued over the long term, and thus the projections overstate the number of homes needed over the projection period.

3 PROPOSED HOUSING PROVISION AND THE 2008-BASED HOUSEHOLD PROJECTIONS

Comparing the Household Projections with the Draft Aligned Core Strategies

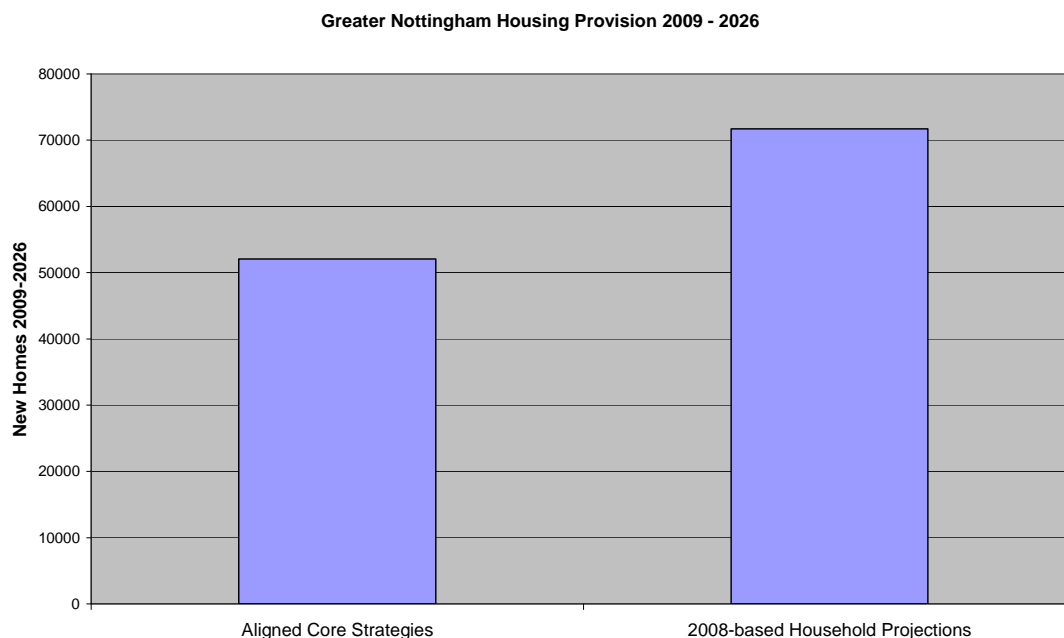
3.1 The 2008-based household projections were published in November 2010. In order to test this new evidence against the housing provision of the draft Aligned Core Strategies (which was based on the Regional Strategy and which used 2004-based household projections), as a first step these projections were compared to the housing provision set out in the Option for Consultation draft of the Aligned Core Strategies.

3.2 The comparison has been undertaken over the whole of Greater Nottingham rather than for the individual council areas within it because it is recognised that the area acts as a single housing market, which is not reflected by the administrative boundaries of the councils. In particular, Nottingham City is recognised as the source of a significant number of new households which due to its tight boundaries cannot all be accommodated within it. The figures below therefore include the Hucknall part of Ashfield District² and the boroughs of Broxtowe, Erewash, Gedling and Rushcliffe, together with Nottingham City.

3.3 To allow comparison with existing housing figures used in the draft Aligned Core Strategies, the end period of the projections was adjusted to 2026. Without making any other adjustments to the projections, the 2008-based projections imply a new housing provision requirement for Greater Nottingham of **71,700**, an increase over the draft Aligned Core Strategies figure (52,050) of **19,650**, or **27.4%**. This is shown in graph 1 below.

² Only the Hucknall part of Ashfield is included in the Aligned Core Strategy. The Council has not yet made a decision regarding the level or distribution of housing between the Hucknall area and the rest of the District, and this analysis therefore assumes the Hucknall provision is at Aligned Core Strategy levels.

Graph 1 Housing provision implied by 2008-based Household Projections



3.4 Put simply, this would mean that if the 2008-based household projections were used as the basis for planning for housing provision in Greater Nottingham, additional sites would have to be found to accommodate an extra 19,650 new homes.

3.5 This extra provision would involve significant further release of greenfield sites, since brownfield options have already been considered through the Aligned Core Strategy preparation process. The increased scale of development would also imply impacts on the provision of employment, infrastructure and supporting facilities, which in turn would require the evidence base sitting behind the draft Aligned Core Strategies to be revisited, leading to considerable delay. Additionally, it implies a step-change in housing delivery over and above that achieved even throughout the years of buoyant housing market conditions. Given the current low rates of housing completions in Greater Nottingham, the capacity to deliver this level of housing is questionable.

Testing the 2008-based Household Projections

3.6 In order to understand how decisions on levels of housing provision might impact on population trends, the economy and house building rates, all the partner councils agreed to commission further analysis of the data. A brief for the work was prepared and all the councils were given the opportunity to input into this. The work was commissioned by a partnership of Derby, Derbyshire, Nottingham and Nottinghamshire councils.

3.7 This work on the projections comprised looking at four ‘scenarios’, chosen to aid understanding of how different factors influence housing provision, with the aim of achieving a shared understanding of the impacts that different levels of housing provision will have on the economy and population make up.

3.8 The four scenarios were:

Scenario 1 – Natural change in the existing population

Scenario 2 – In and out migration in balance (net nil migration)

Scenario 3 – No increase in jobs

Scenario 4 – Continuing past house building rates

3.9 A further scenario, testing the difference made by taking a longer term period of migration trends, was also commissioned to test the argument that projecting short term migration rates over a longer period led to artificially high housing provision figures. This is not included here, as the difference between this scenario and the 2008 based household projections was very small, showing that in-migration has been high over the longer term.

3.10 The scenarios, and the outcome of the modelling work are described in more detail below. Again, the projections have been adjusted to tie in with the draft Aligned Core Strategies period (2009-2026), and the analysis covers the whole of Greater Nottingham (see paragraph 3.2 above).

Scenario 1 – Natural change in the existing population

3.11 This scenario examines the housing requirements of the existing population only, assuming no one moves in to or out of the area. Although this assumption is not realistic, this scenario shows the future housing needs of the existing population and shows the additional housing required due to more births, people living longer and the decline in average household size, due to divorce and more people living alone.

Scenario 2 – Balanced migration (net nil migration)

3.12 This scenario shows the housing figures required if in-migration and out-migration were in balance and cancelled each other out. This varies from the ‘Natural Change’ scenario because the ages of those migrating out from the area are different from those migrating in. The resulting housing needs can be quite different.

3.13 Greater Nottingham currently experiences significant in-migration from younger people for work and study (who tend not to have families and to live in larger households). This, together with out migration of older people (who are more likely to have families), gives rise to fewer households than ‘natural change’. It also has implications for the economy as younger people tend to be more economically active, so an increase in the proportion of younger people would increase the potential labour force.

3.14 This scenario is similar to assumptions used in past structure plans for Nottingham and Nottinghamshire. It also has a precedent in that, during the early 1990s, South Nottinghamshire (Greater Nottingham minus Erewash) experienced a period of balanced migration with out-migration later in that decade.

Scenario 3 – No increase in jobs

3.15 This scenario shows the housing figures needed even if the number of jobs is held at the 2008 base date level over the projection period. It is designed to show the implications that decisions about the housing provision levels might have on the future economic prospects for Greater Nottingham.

3.16 It is a little more complex than the other scenarios because some other assumptions have had to be made:

- It assumes the rates of economic activity and the unemployment rate of people already living in Greater Nottingham stays the same
- It assumes that the proportion of workers commuting into and out of the area will remain the same as in the past

Scenario 4 – Continuing past house building rates

3.17 This scenario takes the average number of new homes built each year in the last 10 years (April 2000 to March 2010), ie about 2,500 homes per year, and assumes that rate continues into the future. It takes no account of the future needs of the population.

3.18 The figures used are net, meaning that any demolitions have been taken off the totals.

3.19 By comparing it with other scenarios, this will show whether carrying on building homes at the same rate as has happened in the past will lead to out-migration or allow for in-migration and also allow for some analysis of the consequences for the economy.

Results of the Modelling

3.20 Table 1 and graph 2 below show the outcome of the modelling work as compared to the level of housing provision currently in the draft Aligned Core Strategies, and that implied by using the 'unadjusted' 2008-based household projections.

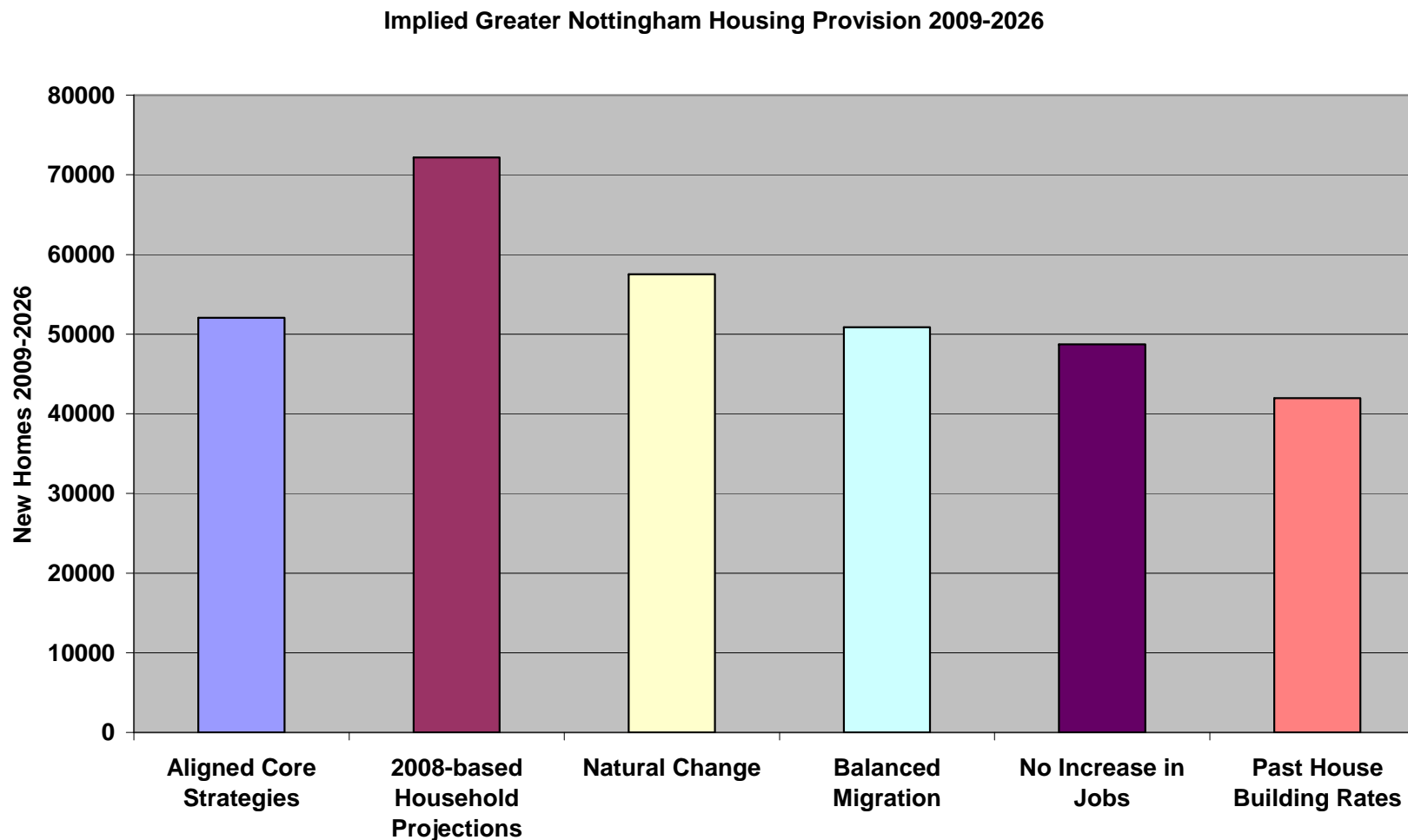
Table 1 Greater Nottingham housing provision resulting from the scenario modelling

	Scenario	Total 2009-2026	Difference between Scenarios and 2008-based Household Projections
	Option for Consultation Aligned Core Strategies	52,050	-19,650
	2008-based Household Projections	71,706	n/a
1	Natural Change in Existing Population	57,717	-13,989
2	In and out Migration in Balance	51,021	-20,685
3	No Increase in Jobs	44,444	-27,262
4	Continuing Past House Building rates	41,888	-29,818

3.21 When compared with the 2008 based household projections, the 4 scenarios show a wide variation in housing provision for Greater Nottingham from 71,700 (2008 based household projections) new homes to 41,800 (past house building rates). As previously stated, the projections are based on past trends. The period over which these past trends occurred was 2003 to 2008 and thus pre-date the current recession.

3.22 The “Natural Change” scenario shows the housing provision required by the existing population, assuming no one moves in or out of the area. It is therefore not realistic but it does show that quite a significant level of new homes (57,700) would be required to simply meet the needs of the existing population. Although not as high as the 2008-based household projections, just providing for the housing need of the existing population implies a higher level of provision than that in the current draft Aligned Core Strategies and more homes than are currently being built.

Graph 2 Greater Nottingham housing provision resulting from the scenario modelling



3.23 The “Balanced Migration” scenario implies a slightly lower housing provision than the “Natural Change” scenario at 51,021 new homes. This is because the housing needs of people moving into Greater Nottingham are different from those moving out, as described in paragraph 3.14 above. This scenario is considered to be more realistic than the Natural Change scenario, because it does allow for population movement. Although Greater Nottingham has experienced in migration in recent years, the scenario does reflect the position of past Nottingham and Nottinghamshire Structure Plans and the reality of the situation in south Nottinghamshire in the 1990’s. It is very close to the housing provision set out in the current draft Aligned Core Strategies. When compared to the “No Increase in Jobs” scenario, it also allows for growth in the level of jobs in Greater Nottingham over the period.

3.24 The “No Increase in Jobs” scenario is included to show what implications decisions on housing provision have for the economy, bearing in mind the assumptions set out at paragraph 3.16 above.

3.25 This scenario shows very clearly that providing fewer than 44,450 new homes would have implications for the economy of Greater Nottingham, which in a worst case could include fewer jobs. Although it does not necessarily mean that the economy would shrink, as job growth could also be supported through in commuting from outside the Greater Nottingham area or higher economic activity rates/lower unemployment in the existing population (see paragraph 3.16), it is not considered an appropriate option given the economic aspirations of the councils making up Greater Nottingham. It is worth noting that all of England’s 8 core cities (of which Nottingham is one) have experienced job growth over the past decade and, as drivers of their region’s economy, this is expected to continue. Areas which have experienced job decline include Stoke, Blackpool and the Wirral.

3.26 Both the Natural Change and the Balanced Migration scenarios provide for some ‘headroom’ in terms of job growth and would therefore be more appropriate in terms of providing for economic growth given these aspirations.

3.27 The final scenario, “Past House Building Rates”, shows the level of housing provision implied by continuing with the rate of house building that has occurred over the past 10 years (2000 to 2010). It results in the lowest housing provision of all the scenarios, at 41,888 new homes. Indeed, this is lower than the “No Increase in Jobs” scenario and would therefore potentially be more harmful to the Greater Nottingham economy. It would also provide for fewer homes than required by the Balanced Migration scenario, meaning out-migration from Greater Nottingham and/or more in-commuting. In addition, the current level of completions is likely to have contributed to the existing affordability problems potentially leading to issues of overcrowding and homelessness experienced in some parts of Greater Nottingham.

3.28 The scenario does however show what has been achieved over the longer term, including a period of strong housing delivery in buoyant market conditions as well as the more depressed current housing market. It does therefore give an indication that achieving significantly higher levels of new

homes could be challenging. In particular, the levels of housing provision implied by the 2008-based household projections would require a 71% increase in housing delivery over past rates. Whilst it would be reasonable to expect a significantly higher level of delivery, given the availability of good quality housing sites and a return to improved market conditions, achieving this rate of housing delivery is not considered to be realistic.

3.29 The other scenarios require an uplift in housing delivery in the following approximate proportions; Natural Change 38%, Balanced Migration 22%, and No Increase in Jobs, 6%. Our expectations for the draft Aligned Core Strategies were an uplift over the long term delivery rate of about 24%. It is worth noting that for some years during peak market conditions, annual housing delivery in Greater Nottingham was sufficient to deliver the level of housing set out in the draft Aligned Core Strategies.

4 PROPOSED LEVEL OF HOUSING PROVISION

4.1 In order to progress the Aligned Core Strategies to adoption, the councils need to confirm a housing provision figure which is justified by the evidence available to it. The scenarios described above are helpful in understanding the evidence and the implications of decisions about the level of housing provision.

4.2 Given the economic aspirations of the government, the councils and the newly formed Local Enterprise Partnership for Derby, Derbyshire, Nottingham and Nottinghamshire, the “No Increase in Jobs” scenario is considered to provide for too few homes, albeit that other factors could still provide for more jobs with the same level of housing provision (see Paragraph 3.16). This also means that the Past House Building Rates scenario provides insufficient homes.

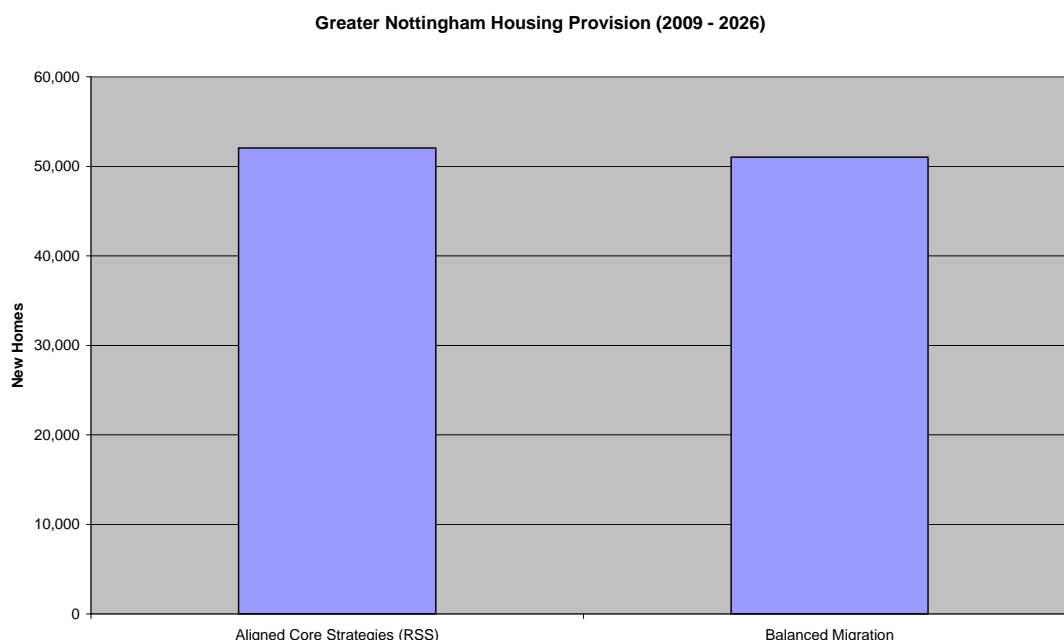
4.3 Equally the scale of new homes implied by the 2008 based household projections is considered to be unrealistic in terms of its delivery. It simply is not considered possible to build this number of new homes over the Aligned Core Strategy period. It would lead to significant further greenfield development and require the evidence base of the draft Aligned Core Strategies to be revisited, and therefore in turn require further consultation (effectively starting the process from scratch), which would lead to further delay in getting a planning framework into place.

4.4 It has already been noted that the Natural Change scenario is not realistic and therefore it cannot form the basis of planning for future housing requirements.

4.5 The Balanced Migration scenario is very close to the housing provision already included in the draft Aligned Core Strategies (see graph 3 below) and this order of housing provision provides sufficient new homes to allow for economic aspirations in terms of jobs growth. This scenario is therefore considered to support the existing level of housing provision set out in the

draft Aligned Core Strategies as an appropriate target to plan for in Greater Nottingham.

Graph 3 – Draft Aligned Core Strategies and Balanced Migration Housing Provision



4.6 This is not to under-estimate the challenge of delivering this level of new homes. The rate of uplift required over past delivery is still 24% so, even with a supply of new sites, successfully implementing the Aligned Core Strategy level of housing provision relies on an early return to improved housing market conditions and a pro-active partnership approach to implementation and regeneration on behalf of the councils. Given past experience, achieving this delivery will be challenging but achievable over the lifetime of the Aligned Core Strategies.

4.7 The comments made above about the significant step change in delivery required to meet the Aligned Core Strategy housing figures mean that proposing even higher levels of provision is not considered to be tenable in terms of delivery, added to which the weight of public opinion expressed through consultation exercises, which came out forcefully in favour of lower growth figures, would be further strengthened if even higher provision levels were to be proposed. Higher levels of housing provision would also require further testing against infrastructure and environmental capacity, meaning large parts of the evidence base would have to be re-worked. This in turn would put back the implementation of the Aligned Core Strategies and therefore put at risk its strategy and the early delivery of the housing already being planned for.

4.8 It should also be noted that housing delivery in Greater Nottingham will be closely monitored to ensure the Aligned Core Strategy is delivered and it is

subject to review after 5 years, or earlier if monitoring indicates that the strategy is not being met.

5 COUNCILS' APPROACH TO HOUSING DISTRIBUTION

5.1 Whilst all the Councils agree that this review of the evidence supports the level of housing provision set out in the draft Aligned Core Strategies, they have not reached agreement on how it should be distributed around Greater Nottingham.

Broxtowe, Erewash, Gedling and Nottingham City Councils' Position

5.2 Broxtowe, Erewash, Gedling and Nottingham City Councils have concluded that the housing distribution between those Councils, as proposed through the draft Aligned Core Strategies, is supported by the available evidence and is therefore an appropriate distribution to plan for (see table 2 below). Their approach is based on the previous work and consultation undertaken on the draft Aligned Core Strategies, including the 'Appraisal of Sustainable Urban Extensions Study' (2008) and the 'Greater Nottingham Sustainable Locations for Growth Study' (2010). The councils consider that, as the origin of this distribution is the Regional Spatial Strategy which at the time of writing is still part of the Statutory Development Plan, this approach is more likely to be found "sound" at examination, for the simple reason that it is a well established, studied and substantially unchallenged figure as regards its legal status. No other method of calculation of housing need could be said to possess those virtues and were any other method to be used, it is very possible that a legal challenge to its application could ensue.

Table 2 – Draft Aligned Core Strategies Housing Distribution in Greater Nottingham

	Option for Consultation Aligned Core Strategy Housing Provision 2009-2026
Hucknall	2,989
Broxtowe	5,765
Erewash	5,932
Gedling	7,053
Nottingham City	16,450
Rushcliffe	13,860
Greater Nottingham	52,049

Rushcliffe Borough Council Position

5.3 All the councils have worked together to ensure the policies of the draft Aligned Core Strategies are consistent across Greater Nottingham. However, Rushcliffe Borough Council want to take a different approach to determining housing figures for their borough and are therefore undertaking a separate exercise to determine an appropriate number of new homes to plan for. This exercise is due to conclude in late summer and, depending on the level of provision proposed by Rushcliffe Borough, the councils will then collectively decide whether it is practical to proceed with a single Aligned Core Strategy for Greater Nottingham or whether it would be more appropriate for Rushcliffe to publish a separate document. Apart from the housing issues, this would be likely to have a high degree of alignment in all other respects.

Ashfield District Council Position

5.4 As previously stated, only the Hucknall part of Ashfield district falls within Greater Nottingham. Ashfield District Council will be determining the appropriate level and distribution of housing around the district, and are intending to take forward their core strategy in the autumn.

6 RE-BASING THE HOUSING PROVISION FIGURES

6.1 The Option for Consultation version of the Aligned Core Strategies covered the period from 2009 to 2026. Government guidance states that Core Strategies should plan for a period of at least 15 years from adoption. The Aligned Core Strategies are expected to be adopted in late 2012. It is therefore considered prudent to plan for the period until 2028. As housing completion figures are now available for 2009/10 and 2010/11, it is proposed that the Aligned Core Strategies cover the period from 2011 to 2028.

6.2 The housing provision figures therefore need to be rolled forward for two years and the housing completion rates for 2009/10 and 2010/11 removed from the total. Housing completions have been at a low level over the past few years due to the recession and the depressed condition of the housing market. Housing completions have not therefore been at the level envisaged by the draft Aligned Core Strategies and, as a result, the total housing figure for the new period has increased slightly above the figure in the Option for Consultation version of the Aligned Core Strategies, despite both time periods being 17 years.

6.3 Due to the different approaches being taken in Ashfield and Rushcliffe, the new housing provision figures have been assessed for Broxtowe, Erewash, Gedling and Nottingham City Council areas only. The proposed new housing provision figures are worked out as follows:

Greater Nottingham Aligned Core Strategy Option for Consultation (2009-2026) housing provision figure:	52,050
Of which the figure for Broxtowe, Erewash, Gedling and Nottingham City is:	35,200

Using this figure as the starting point, the Table 3 (below) summarises the proposed new housing provision figures.

Table 3 Revised 2011-2028 housing provision figures for Broxtowe, Erewash, Gedling and Nottingham City Councils (Derived by rolling forward the provision set out in the draft Option for Consultation Aligned Core Strategy)

Column A	B Current housing provision 2009-2026 (Draft Aligned Core Strategy)	C Implied annual average delivery 2009-2026	D Housing provision 2009-2028	E Net completions 2009/10	F Net completions 2010-11	G New Housing provision 2011-2028	H Implied annual average delivery 2011-2028	I Difference between 2009-2026 and 2011-2028
			=B+(2xC)			=D-(E+F)		=G-B
Broxtowe Borough Council	5,765	339	6,443	95	222	6,126	360	361
Erewash Borough Council	5,932	349	6,630	193	223	6,214	366	282
Gedling Borough Council	7,053	415	7,883	274	341	7,268	428	215
Nottingham City Council	16,450	968	18,385	909	311	17,165	1,010	715
TOTAL	35,200	2,071	39,341	1,471	1097	36,773	2,163	1,573

Totals may not sum due to rounding.

Columns E and F are net figures, with demolitions subtracted (this particularly affects the City Council's figures).

For comparison, Table 1 and Graph 2 in section 3 show the housing provision (2009-2026) that would be implied by the 2008-based Household Projections, at a Greater Nottingham level, compared to that in the draft Aligned Core Strategies.

7 DISTRIBUTION OF HOUSING WITHIN COUNCIL AREAS

7.1 The Regional Strategy requires that, of 52,050 dwellings to be provided each year in Greater Nottingham, at least 35,197 of these should be within or adjoining the Nottingham Principal Urban Area (PUA - the main built up area of Nottingham), with much of the remainder directed towards specific named settlements. The Localism Bill will abolish the Regional Strategy when it becomes law and, notwithstanding the coalition government's consistent statements and emerging policies regarding the importance of housing delivery, they have also been consistent in indicating that the locations where individual councils can choose to provide land for housing will be largely up to them.

7.2 The borough councils of Broxtowe, Gedling and Rushcliffe strongly and consistently opposed the rigidity of the PUA / non PUA split proposed by the Regional Strategy, which dictated in numerical terms how housing growth should be distributed within their administrative areas. (Erewash were not as opposed to this as the Regional Strategy set a significantly lower PUA threshold allowing the majority of their growth to be directed towards the sub-regional centre of Ilkeston).

7.3 Each borough council considers that, as the local authority, it is they who are in the best position to identify how the required new housing is to be distributed within their areas, having regard in particular to the views of local communities together with national policy, green belt, sustainability, land availability and delivery issues. In addition, not all the relevant evidence now available was in place at the time of the Regional Strategy examination in 2007.

7.4 The consultation response to the February 2010 Option for Consultation Aligned Core Strategies, together with earlier rounds of consultation, demonstrated broad support for a more flexible approach to providing locations for new housing. This support was from a wide range of stakeholders ranging from promoters of new housing to members of local communities objecting to growth.

7.5 Further flexibility in housing distribution within the boroughs is also supported by evidence in the Greater Nottingham Sustainable Locations for Growth Study (February 2010), which identifies numerous settlements outside of the PUA which are considered potentially suitable for more growth than may be supported with a rigid PUA/ non PUA approach. In addition, the Sustainability Appraisal for the draft Aligned Core Strategies, whilst favouring a strategy of urban concentration, does not identify significant sustainability problems with higher levels of growth outside of the PUA and the named Sustainable Urban Extensions than that identified in the draft Aligned Core Strategies.

7.6 There is substantial technical evidence indicating the availability of land in sustainable locations outside of the Nottingham PUA. The emerging Sustainability Appraisal indicates a strategy of urban concentration in and

around Nottingham has sustainability benefits and it is proposed to continue with this strategy at a Greater Nottingham level, whilst allowing more flexibility than allowed by the Regional Strategy for individual councils to direct proportionate levels of new growth to settlements elsewhere within their area. This will allow the flexibility to provide the best prospect of ensuring a 5 and 15 year supply of housing land as required by Planning Policy Statement 3 'Housing' and will ensure councils can take decisions to direct appropriate growth to settlements that may, for example, be in need of further investment on regeneration grounds or in order to provide much needed support for local facilities. As well as being in line with the government's 'Localism' approach to making decisions, providing a broader spread of housing locations may well also assist in speeding up the rate of housing delivery overall.

7.7 Given that numerous earlier rounds of consultation have given adequate opportunity to influence the emerging Aligned Core Strategies, it is now proposed to retain a strategy of concentrating new housing provision in and around the built up area of Nottingham and to include district housing provision targets, but without the distribution of this being bound in percentage or numerical terms within each council area.

8 NEXT STEPS

8.1 Comments received on the Housing Position Paper, and consultation responses on the draft climate change Policy and on the locally distinctive matters will be considered and taken into account in the drafting of the next 'Publication' version of the Aligned Core Strategies.

8.2 A draft timetable for further stages of preparation and publication has been prepared. It envisages the publication of the next draft of the ACS taking place in January 2012.

Aligned Core Strategy – Draft Timetable

DATE	TASK
25 th July to 19 th September 2011	Publish Housing Position Paper, consult on draft climate change policy and on locally distinct issues
Autumn 2011	Consider and process comments on paper and responses to consultation. Prepare 'Publication' Draft ACS
January 2012	Publish Draft ACS
Spring 2012	Submission of ACS to Planning Inspectorate
Summer 2012	Public examination
Winter 2012	Adoption of ACS

APPENDIX**ALIGNED CORE STRATEGIES POLICY 1: CLIMATE CHANGE**

In parallel with the publication of the Housing Provision Position Statement, the Councils are jointly consulting on a revised draft of Policy 1 of the Aligned Core strategies, on Climate Change. This policy attracted significant comment at the Option for Consultation stage and has been redrafted to take account of some of those comments.

The consultation will run between 25th July and 19th September, and the policy is available on the Councils' websites (see below) and also at www.gngrowthpoint.com.

LOCALLY DISTINCT MATTERS

Broxtowe, Erewash, Gedling and Nottingham City Councils are also consulting on a range of locally distinct issues within their own council areas.

Broxtowe Borough Council

In the 'Option for Consultation' Broxtowe Borough Council invited views on a range of sites which may be suitable for large scale housing development in the form of Sustainable Urban Extensions. They will shortly be deciding on which of these they consider is the most suitable to take forward into the next version of the Core Strategy.

The consultation will run between 25th July and 19th September, and details can be found on their website at www.broxtowe.gov.uk

Gedling Borough Council

In the 'Option for Consultation' Gedling Borough Council were promoting Gedling Colliery/Chase Farm as a site for large scale housing growth. It has subsequently emerged that, due to the high cost of providing the Gedling Access Road on which development here relies, the viability of the site for the level of development envisaged is questionable. The borough council is therefore consulting on what alternative sites could be developed to make up the shortfall caused by a much reduced number of homes being developed at Gedling Colliery/Chase Farm.

The consultation will run between 25th July and 19th September, and details can be found on their website at www.gedling.gov.uk.

Erewash Borough Council

The Regional Strategy focused growth on the main built up area of Nottingham (including Long Eaton) and the sub-regional centre of Ilkeston. With the likely abolition of the Regional Strategy, Erewash Borough Council considers it prudent to demonstrate, in conjunction with neighbouring Derby Housing Market Area (HMA) councils, that all possible options for development have been explored in their borough. Derby HMA councils are currently consulting to identify suitable locations for growth around the edge of

the Derby main built up area. The city's long term expansion eastwards has seen it reach the borough's boundary and any further housing development outwards in this direction would require the identification of green belt land within Erewash.

Derby HMA councils' consultation is due to commence in mid July with ongoing engagement into the autumn, and details can be found on their website at www.derby.ldf.derby.gov.uk.

Nottingham City Council

Nottingham City Council are preparing a 'Land and Planning Policies' Development Plan Document, building on the Aligned Core Strategies, which will show the sites to be developed in Nottingham and set out the more detailed policies it will use to manage development.

The consultation will run between 25th July and 19th September and details can be found on their website at www.nottinghamcity.gov.uk.

APPENDIX 2

POLICY 1 CLIMATE CHANGE

All development proposals will be expected to deliver high levels of building sustainability, in advance of national standards where viable and achievable, in order to mitigate against and adapt to climate change.

Development, including refurbishment where it requires planning permission, will be expected to demonstrate the following:

- a) How it makes effective use of sustainably sourced resources and materials, minimises waste, Carbon Dioxide emissions and water use. For residential development, water use should be in accordance with level 3 or higher of the Code for Sustainable Homes;
- b) How it is located, laid out, sited and designed to withstand the long term impacts of climate change, particularly the effect of rising temperatures, sustained periods of high temperatures and periods of intense rain and storms;
- c) That the building form and its construction allows for adaptation to future changes in climate; and
- d) That the building form and its construction permits further viable subsequent reduction in the building's carbon footprint.

The onus will be on developers to robustly justify why full compliance with policy requirements is not viable.

1 Stand Alone Energy Generation

The development of stand alone renewable energy schemes appropriate for Greater Nottingham will be promoted and encouraged, including biomass power generation, combined heat and power and micro generation systems. The extension of existing low or zero carbon energy schemes will be encouraged and adjacent new developments will be expected to utilise such energy wherever it is viable to do so.

2 Residential Development

All residential development will comply with national targets in the Code for Sustainable Homes or equivalent as a minimum. Where viable, development will be expected to accelerate progress towards Zero Carbon prior to 2016, particularly for developments of around 500 dwellings or more. In all these cases, target levels will be set out in Development Plan Documents.

In addition, where viable, zero or low carbon energy sources should contribute to the ongoing energy usage of completed homes to achieve

reductions in Carbon Dioxide emissions by the following proportions:-

Nottingham and Nottinghamshire Authorities:

	2010 - 2013	2013 – 2016	2016 onwards
RESIDENTIAL % Low/Zero carbon Contribution	23.5%	27%	National standards apply

NB The percentages above apply to both regulated and unregulated emissions and should be calculated from pre-set domestic benchmarks in line with the known future trajectory of building regulations for emissions from housing as introduced by the Code for Sustainable Homes (2006) (see paragraph 3.1.12 below).

Erewash Borough Council:

	2010 - 2013	2013 – 2016	2016 onwards
RESIDENTIAL % Low/Zero carbon Contribution	20%	26%	National standards apply

NB The percentages above apply to regulated emissions only, and should be calculated against the building regulations in force at the time (see paragraph 3.1.14).

3 Non-Residential Development

All non residential development will be expected to incorporate sustainable construction design, materials and methods to achieve BREEAM standard 'excellent' where viable and feasible, unless national standards for the construction of non residential development are agreed in the future.

In addition, where viable, zero or low carbon energy sources should contribute to the ongoing energy usage of completed non residential development to achieve reductions in Carbon Dioxide emissions by the following proportions:

Nottingham and Nottinghamshire Authorities:

	Current - 2011	2011 - 2015	2015 - 2019	2019 onwards
NON-RESIDENTIAL % Low/Zero carbon Contribution	10%	13.5%	18%	National standards apply

NB The percentages above apply to both regulated and unregulated emissions and should be calculated from pre-set benchmarks in line with the known future trajectory of Building Regulations for emissions (see paragraph 3.13 below).

Erewash Borough Council:

	2010 - 2013	2013 – 2016	2016 – 2019	2019 onwards
NON-RESIDENTIAL % Low/Zero carbon Contribution	10%	10%	26%	National standards apply

NB The percentages above apply to regulated emissions only, and should be calculated against the Building Regulations in force at the time, see paragraph 3.1.14 below.

For both residential and non-residential development, the targets for energy usage derived from zero or low carbon energy sources may be waived where equivalent carbon savings are achieved through enhanced construction and building design.

4 Flood Risk

Development proposals that avoid areas of current and future flood risk and which do not increase flooding elsewhere, adopting the precautionary principle to development proposals, will be supported.

Where no reasonable site within Flood Zone 1 is available, allocations in Flood Zone 2 and Flood Zone 3 on a sequential basis will be considered in accordance with PPS25 and the Strategic Flood Risk Assessments.

Where it is necessary to apply the PPS25 Exception Test within the urban areas, the following factors will taken into account when considering if the development has wider sustainability benefits to the community that outweigh flood risk:

- a) There are exceptional and sustainable circumstances for locating the development within such areas, including the necessary re-use of brownfield sites; and**
- b) The risk can be fully mitigated by engineering and design measures.**

All new development should incorporate measures to reduce surface water run-off and the implementation of Sustainable Drainage Systems into all new development will be sought unless it can be demonstrated that such measures are not viable or technically feasible.

JUSTIFICATION

3.1.1 This policy does not address all aspects of climate change. Further guidance can be found at Policy 3 (Sustainable Urban Extensions), Policy 10 (Design, the Historic Environment and Enhancing Local Identity), which includes considerations which need to be taken into account when designing mitigation and adaptation measures in sensitive environments, Policy 13 (Managing Travel Demand), which seeks to reduce the need to travel and encourage modal shift, and Policy 15 (Green Infrastructure) which emphasises the role of the green and natural environment in mitigating and adapting to climate change.

3.1.2 Climate change is one of the biggest challenges facing Greater Nottingham. It is a global problem requiring local action. Major changes in attitude and practices are required if we are to make changes to the earth's climate and reverse the effects of global warming. National objectives to address climate change will not be achieved without substantial efforts to reduce energy consumption and increase energy produced from naturally occurring, renewable sources.

3.1.3 The UK Government is actively seeking to reduce greenhouse gas emissions and has set targets in the Climate Change Act 2008 to reduce carbon dioxide (CO₂) emissions by 80% below current levels by 2050. More recent publications, including the supplement to PPS1 on Climate Change and Building a Greener Future: Towards Zero Carbon Development, pave the way for the delivery of more resource-efficient buildings in general and carbon zero homes by 2016.

3.1.4 The Councils have signed the Nottingham Declaration on climate change which is a public statement of intent to work with the local community and businesses to respond to the challenges of climate change. This includes cutting gas emissions such as CO₂ and preparing for the changes that climate change will bring.

3.1.5 The Local Development Framework needs to ensure the use and development of land will help slow down the rate of climate change and be resilient to its effects. In this respect the Aligned Core Strategies' task will be to:

- reduce consumption of natural and non-renewable resources;
- reduce pollution to levels that do not damage natural systems;
- help improve air quality;
- reduce dependence on non-renewable energy sources and promote renewable energy use and development;
- effectively manage and reduce the impacts of flood risk across the area.

3.1.6 Simple measures, such as the design, siting and orientation of development, appropriate sourcing of materials and minimising waste, both

during construction and in use, can improve the sustainability of development at little or no cost.

3.1.7 The Greater Nottingham and Ashfield Outline Water Cycle Study (2010) highlights that the area is one of moderate 'water stress' (ie scarcity) in terms of water supply. It is therefore important that new development makes as efficient use of water as possible. The Water Cycle Study recommends that new residential development adopt the water usage standards of level 3 of the Code for Sustainable Homes as a minimum, ie not more than 105 litres per person per day.

3.1.8 Supporting low carbon decentralised renewable energy schemes is an important component of meeting carbon reduction targets and, in the short term at least, they are capable of delivering greater carbon savings than achievable through the development of low carbon new buildings. These types of energy generation are already an important component of energy use in Nottingham, with the energy from waste facility at Eastcroft providing both electricity and heat to parts of the City centre and St Anns. Greater Nottingham is also home to small scale hydro and wind energy generation. There is considered to be considerable scope for further development, especially in the use of biomass energy generation and development of such facilities will be supported wherever appropriate.

3.1.9 Building regulations and the Code for Sustainable Homes govern the sustainability of construction of new residential development and are agreed between the development industry and government. In order to reduce CO₂ emissions from energy used in completed development, and to assist in progressing decentralised energy schemes, a 'Merton Rule' is proposed setting out the levels of CO₂ emission reductions expected to be achieved through the use of low and zero carbon energy generation. For residential development the levels increase until 2016, when government guidance on what constitutes zero carbon development is expected to be in place, and for non residential to 2019. The government has now made it clear that house builders will not be expected to be responsible for abating carbon emissions caused by the occupants' use of appliances, such as computers or televisions, because this is not influenced by the design or structure of their home and is therefore beyond their control. The regulatory threshold for zero carbon will therefore cover only emissions which are within the scope of building regulations.

3.1.10 The percentages for Erewash and the rest of Greater Nottingham vary due to being based on different Sustainable Energy Studies covering the two counties.

3.1.11 For Nottinghamshire authorities, the targets relate to all energy used in the building, ie both regulated emissions, (those covered by Building Regulations, principally emissions from heating and lighting) and unregulated emissions (emissions arising from the use of the building, such as cooking and entertainment – see glossary). Although this approach goes beyond the Government's intentions (see paragraph 3.1.9 above), it is nonetheless

considered to continue to be appropriate in relation to reducing carbon emissions overall, and in progressing decentralised energy schemes.

3.1.12 The Nottinghamshire percentages for residential development should be calculated from pre-set domestic benchmarks in line with the known future trajectory of building regulations for emissions from housing as introduced for the Code for Sustainable Homes (2006), and are aimed at achieving a constant (1 tonne) reduction in CO₂ per annum above building regulations levels. The percentages therefore rise in parallel with anticipated changes to Building Regulations.

3.1.13 'Towards a Sustainable Energy Policy for Nottingham' November 2009, based the non-residential percentages of 10% for each period on a static 2005 benchmark and, because building regulations will be progressively improving energy efficiency over the period, the constant 10% requirement would become an increasing proportion of energy use. More information can be found in 'Towards a Sustainable Energy Policy for Nottingham', November 2009. However, now that the trajectory towards zero carbon is known for non residential development, these targets have been converted to be measured against the building regulations in force at the time. The carbon savings between the two methodologies are identical, but using current building regulations rather than a static 2005 benchmark is simpler and consistent with the approach for residential development.

3.1.14 For Erewash, the targets relate to regulated emissions only, due to the different evidence base for Derbyshire. For both residential and non-residential development, they should be calculated on the basis of the emissions standards of the building regulations in force at the time. More information can be found in 'Cleaner, Greener Energy Study, Report 1 – LDF Evidence Base', Dec 2009.

3.1.15 The aim of this part of the policy is to reduce energy usage in completed and occupied buildings in order to compliment the national approach to construction promoted through building regulations. However, where development is designed to enhanced standards that make equivalent carbon savings to the low and zero carbon energy targets set out in the policy, the need to meet those targets may be waived.

3.1.16 Approaches to adapting to climate change and mitigating its effects are changing rapidly, as are technologies available to reduce carbon emissions and generate low or zero carbon energy. In addition, some approaches may be more appropriate in some localities than others. Further guidance, in the form of Supplementary Planning Documents or Development Plan Documents will be prepared as necessary.

Flood Risk and Sustainable Drainage

3.1.17 Flood risk is a significant issue in Nottingham, which is likely to be exacerbated by unpredictable weather associated with climate change. Development proposals that avoid areas of current and future flood risk and

which do not increase flooding elsewhere, adopting the precautionary principle to development proposals, will therefore be supported.

3.1.18 Greater Nottingham contains significant areas of brownfield land in urgent need of regeneration but which may also be at risk of flooding. The PPS25 Exception Test applies to development in these locations if lower risk alternatives are not available. Regeneration of this land can bring significant wider sustainability benefits to the wider community, in terms both of reducing the need to travel and reducing the need for greenfield development, and will therefore be an important consideration in applying the Exception Test.

3.1.19 Some parts of the urban area of Greater Nottingham are also prone to flooding from surface water runoff. A Surface Water Flooding Management Plan is in preparation for the city area. Reducing runoff can be helpful in reducing the risk of flooding from this source and the councils will seek the implementation of Sustainable Drainage Systems into all new development, unless it can be demonstrated that such measures are not viable or technically feasible. For development on greenfield sites, the aim should be to reduce or maintain runoff levels compared to those present prior to development.