

## **Derby City Core Strategy: Consultation On Preferred Growth Strategy**

### **SUMMARY**

- 1.1 The Council has been working with Amber Valley Borough and South Derbyshire District Councils to prepare separate but aligned Core Strategies. In early 2010, the Councils consulted on options for development throughout the three authorities, including urban extensions to Derby. These options were based on housing targets set out in the East Midlands Regional Plan.
- 1.2 Following this, the new Coalition Government announced its intention to abolish Regional Plans and encouraged local authorities to develop their own local housing targets and locational strategies. But, these strategies still need to be based on sound up-to-date evidence and national population and household projections are indicating a significant increase in housing needs to those in the Regional Plan. This level of growth is likely to raise significant infrastructure issues and concern around the City. Furthermore, it implies a scale of house building that exceeds even the boom years of the last decade.
- 1.3 The Councils have therefore been looking closely at the national projections to see how realistic they are. As part of this, consultants have been commissioned to look at the national figures in some detail. This work suggests that there are grounds to challenge some of the assumptions in the national projections. In particular, there is evidence that projected increases through migration are a little high and that household size has not been declining as fast as projected.
- 1.4 Based on this work, a housing figure of 33,700 is proposed across the three local authorities. About 19,200 of these would be in and around the City; 12,000 within its administrative area, with the remainder as cross boundary extensions mainly into South Derbyshire. Strategic locations are proposed to the south of Alvaston, Chellaston and Sinfen. Significant mitigation is likely to be needed at Sinfen, either as a new southern link road or as a new junction onto the A50. Other major infrastructure is likely to include extensions to Noel Baker and Sinfen Community Schools, although the scale of development is close to requiring a new secondary school.
- 1.5 This report is seeking approval to consult on the strategy from early October this year until Christmas. Proposed text for the consultation document is attached as Appendix 2, although this is yet to be finalised and formatted. A summary of the draft consultation and communications plan is also appended. The consultation only covers scale and distribution of new housing and comments will be taken into account before

preparing a full 'Publication' plan for formal consultation next year. This will include a full set of planning policies.

## **RECOMMENDATION**

- 2.1 To note Cabinet's decisions in relation to consultation on the Preferred Growth Strategy; in particular to approve the principles of the text set out in Appendix 2 as the basis of a consultation document.

## **REASONS FOR RECOMMENDATION**

- 3.1 To bring to the Board's attention that Cabinet has approved the appended text as the basis of consultation through to Christmas prior to preparing a more detailed plan for further consultation next year.

## SUPPORTING INFORMATION

- 4.1 The preparation of a Core Strategy is a statutory requirement on the Council and once adopted will form an important part of the Local Development Framework, now known as the Local Plan. It will replace most of the policies of the current City of Derby Local Plan Review. A Site Allocations Document is also programmed to add detail to the Core Strategy and replace remaining CDLP Review policies.
- 4.2 The City Council has been working with Amber Valley Borough and South Derbyshire District Councils to prepare separate but aligned plans covering the Derby Housing Market Area (HMA). This approach will help considerably in demonstrating the new legal 'duty to cooperate' with other organisations we have common interests with.
- 4.3 In early 2010, we consulted on options for development throughout the three local authority areas. These options were based on housing targets to 2026 set out in the East Midlands Regional Plan, also known as the Regional Spatial Strategy. This included a large number of possible development sites around the city as well as options for greenfield land within the city itself. Some of the options for urban extensions in particular proved to be controversial with concerns being raised about loss of countryside and impact on local amenities and facilities, especially traffic and schools.
- 4.4 In mid 2010, the coalition Government announced its intention to revoke the Regional Plan and allow local authorities to determine their own local strategies. All three authorities decided to take a step back from the Regional Plan based strategy and look again in particular at the scale and location of new housing. However, Government has made it clear that any local strategy must still be based on up-to-date evidence and recent national population and household projections are much higher than those the Regional Plan was based on.
- 4.5 Regional Plans themselves have proven more difficult to abolish than anticipated and the East Midlands Plan is still currently in place as a part of the statutory Development Plan. Published Plans should be in broad conformity to this. Whilst we are proceeding on the basis of a locally derived strategy, we do believe that the proposals recommended are still broadly in line with the Regional Plan.
- 4.6 In 2011, the Derby HMA local authorities consulted on a number of different high level options for scale and location of housing growth. Scale options ranged from scenarios based on 'balanced migration' and 'continuing previous building rates' at the lower end to meeting national household projections' at the upper end. The Regional Plan target was just below the midpoint of this range. Residents responding to the consultation tended to favour a scale of provision at the lower or mid range of the options presented and developers favoured options at the higher end.

- 4.7 In terms of distribution, the consultation included an 'urban concentration' strategy similar to the Regional Plan, but also offered strategies that directed more growth into smaller towns and villages and for a new settlement. Views of residents were mixed, although a small majority favoured development in and around Derby. There was strong support for protecting green belt and green wedges and concerns were again raised over loss of countryside. A majority of developers favoured development in and around Derby. Residents supported prioritising brownfield development, but there was a recognition that there are not enough brownfield sites to meet all needs. There was some support from residents for development to the south east of the city.
- 4.8 Recent Core Strategy Examinations have indicated that substantial evidence is needed to justify any deviation from the scale of housing provision indicated by national population and household projections. We therefore commissioned consultants to undertake a housing requirement study for the Derby HMA. This has concluded that a case can be made to challenge some aspects of the official projections. In particular, they believe that the national figures assume higher rates of net in-migration than is likely to be the case and overstate the projected decline in household size.
- 4.9 Taking these factors into account suggests a demographic need of 33,700 additional homes for the Housing Market Area as a whole over the period 2008 - 2028. This compares to the Regional Plan target for the Derby HMA of 36,600 and the latest national household projection of nearly 50,000.
- 4.10 There is further compelling evidence in the consultant's report in relation to prospects for the housing market and job creation which broadly supports this level of growth. Despite being significantly lower than the national household projection, it still represents a 20% increase in housing stock and will be a challenge to the development industry to deliver. And it is broadly similar to the Regional Plan target of 36,600.
- 4.11 Officers have considered how the HMA figure of 33,700 should be distributed across the three local authorities of the HMA. It is proposed to direct about 19,200 of this into and around the Derby Urban Area. This is based on the consultants' assessment of demographic need generated by the city, but also takes account of the City's economic growth aspirations and the fact that a substantial element of Amber Valley and South Derbyshire's projected growth is based on out-migration from the City.
- 4.12 Although the Regional Plan sets a target of 14,400 homes within the City itself, we no longer consider this to be achievable. Current market conditions no longer favour high density, apartment led schemes and alternative uses are now being put forward on some sites. Our proposed housing strategy continues to prioritise brownfield regeneration sites, but anticipated delivery within the urban area has inevitably been revised downwards. Our proposed figure for the City is 12,000, leaving about 7,200 to be found as urban extensions to the City in Amber Valley and South Derbyshire. Planning permission already exists for about 3,000 of these, mainly in South Derbyshire.

## **Strategic Housing Allocations**

- 4.13 A great deal of technical work has now been undertaken assessing locations for urban extensions. As a result, HMA officers consider that the main focus of growth across the City's boundary should be to the south. Three broad locations for growth, largely in South Derbyshire are proposed:

South of Alvaston – about 2,800 dwellings

This would extend a site in South Derbyshire which already has planning permission to include land in both South Derbyshire and within the Alvaston-Chellaston area in the City, which is currently designated as green wedge in the CDLP Review. South Derbyshire will also be consulting on whether to “safeguard” (i.e. tentatively remove) Green Belt land to the south of this for longer term development well beyond 2028.

South of Chellaston – 450 dwellings

A planning application has already been made to South Derbyshire for 450 new homes, a supermarket, petrol filling station and other ancillary uses on this site. The submission of a planning application does not in itself mean that a site is suitable for development, but in this case it is considered that the site should be included within the strategy for consultation. It needs to be considered through the plan making process, especially to ensure it relates well to wider strategic issues, including contributions to major infrastructure requirements.

South of Sinfen and Stenson Fields – 2,730

Land to the south of Sinfen has good accessibility to a range of shops, services, schools, public transport and to employment land to the north. However, the Stenson Road corridor is congested and major new development would make this worse unless mitigated.

The developers' preferred mitigation is for a new junction onto the A50. However, as well as being expensive, transportation modelling currently suggests this scheme provides inconsistent benefits. Further work is being undertaken and will provide more detail to this picture.

An alternative approach to mitigation would be a new link road, potentially connecting the Sinfen area to westwards to Rykneld Road and eastwards through the GTC to the Bonnie Prince island on the A50. This scheme would also be expensive, but the transportation modelling indicates that it has potential as a key contributor in mitigating the traffic impact of proposed development. More work would be needed to develop a detailed delivery package for it, but such a scheme could also offer wider strategic advantages to southern Derby.

Land to the west of Primula Way - 500

South Derbyshire have recently resolved to grant planning permission for about 145 dwellings to the west of Stenson Fields, subject to resolving flooding concerns raised by the Environment Agency. It is proposed to extend this to include a total of 500 dwellings.

- 4.14 Of the 12,000 homes proposed in Derby itself, about 5,900 are considered 'commitments'; mainly having already been built, having planning permission or are allocated in existing local plans. A further 3,670 can be developed on brownfield sites, leaving a need to identify some 2,430 on currently unallocated greenfield sites.
- 4.15 The 3,670 homes to be built on brownfield sites will be distributed around the City's urban area, but will include the following regeneration priorities:
- Various locations within the city centre
  - Various locations along the Derwent Valley including within the 'Our City Our River' area
  - Castle Ward and DRI
  - Osmaston Master Plan Area
  - Land off Goodsmoor Road, Sinfen
- 4.16 In terms of greenfield sites, it is intended to allocate sufficient land within the Core Strategy itself to provide clarity over delivery and to provide at least a 5 year supply of land. There will be a need to identify some additional sites through a later Site Allocations Plan.
- 4.17 The following sites are proposed for allocation:
- 800 dwellings to the south of Alvaston, to be developed as part of a larger site in South Derbyshire
  - 220 dwellings at Mackworth College
  - 200 dwellings on two adjacent sites at Onslow Road, Mickleover
  - 180 dwellings at Wragley Way, Sinfen to be developed as part of a larger site in South Derbyshire
  - 56 dwellings at Woodlands Lane, Chellaston
  - 275 dwellings at Brook Farm, Chaddesden
- 4.18 Most of these sites are currently designated as green wedge in the CDLP Review. There are sufficient additional greenfield sites being promoted to us to achieve the housing figure of 12,000. These will be considered in more detail as part of a future Site Allocations Plan, but the pool of most likely contenders are:
- 150 dwellings at Andrew Close, Littleover
  - 200 dwellings at North East Chellaston
  - 200 dwellings at Lime Lane, Oakwood
  - 250 dwellings at Breadsall Hilltop
- 4.19 All dwelling figures are approximate at this stage and subject to change as site assessment work continues. Furthermore, sites from the second list may in due course be allocated in the Core Strategy if outstanding issues are resolved and deliverability looks more certain prior to Publication stage. For this reason, these sites should also be consulted on even though there is less certainty that they will be proposed for development.

## **Employment Land**

- 4.20 South Derbyshire's preferred strategy is likely to include long term potential for extending the existing designated employment land south of Rolls Royce, which incorporates the proposed Global Technology Cluster, southwards to the A50. This would help provide certainty over the long term future of this area and enhance the attractiveness of the GTC.

## **Strategic housing location options not included in the preferred strategy**

- 4.21 Land to the north and east of Derby is mostly greenbelt which has been reassessed recently and found to still be important to maintaining an open break with Nottingham.
- 4.22 The Highways Agency has expressed concern over major development to the west of Derby in advance of improvements to the A38, the programme of which is now uncertain. These are major improvements and not the interim measures recently announced. Furthermore, local secondary schools have insufficient capacity and little or no opportunity for expansion, indicating that children would need to be bussed further afield which is unsustainable. This area generally also has more attractive countryside than land to the south of Derby and some of it includes the setting of Kedleston Hall and Radbourne Hall. The transport modelling suggests that it will be difficult to access land to the west of Mickleover with viable public transport and that it would be car dominated as a result.
- 4.23 Land is being promoted by developers for an extension to a site in South Derbyshire which already has planning permission for about 1,200 homes to the south of Heatherton. Given this permission, and the nearby allocation for 900 dwellings in Derby, it seems unlikely that the extension will come forward in this plan period.
- 4.24 Land is being promoted by developers in South Derbyshire to the west of Chellaston and extending eastwards to the GTC. This site does not relate well to Chellaston and would potentially block off the mouth of the green wedge defined within the City.

## **Consultation and Next Steps**

- 4.25 It is intended to consult on this strategy from early October this year until Christmas. Text for the accompanying consultation document is appended to this report, although this is yet to be finalised and formatted. The consultation will only cover the strategic issues of scale and location of major new housing and employment land. The full version of the plan to be prepared for publication early next year will contain a full set of planning policies for consultation before the plan is submitted for independent Examination later next year.

- 4.26 Consultation arrangements for preparing statutory plans such as a Core Strategy are set out in Regulations. These are reflected and developed in more detail in the Council's 'Statement of Community Involvement' which is itself a statutory requirement. In addition, recently the Council has agreed its Consultation Policy. Based on these, a draft Consultation and Communications Plan has been jointly prepared by the three authorities of the HMA. This aims to ensure a joined up approach, especially on cross-boundary issues and a summary is attached as Appendix 3. Consultation arrangements will also be assessed as part of the Equalities Impact Assessment.
- 4.27 Consultation will include sending the document and information leaflets to all neighbourhood boards and planning sub-groups. We will attend forum meetings where requested. A workshop will be held for businesses, developers and statutory undertakers. Additionally, 'drop-in' exhibitions will be held, mainly in areas most affected by the proposals and several of these will be held jointly with South Derbyshire or Amber Valley. We will also write to all Ward Representatives with a copy of the consultation document and other relevant information and will discuss with the Diversity Forums how best to engage with them.
- 4.28 The consultation documents will be made available on the Council's website through Your City Your Say, as well as the new HMA website. In addition, paper versions of the consultation documents will be available in libraries, Roman House and at Albion Street.

#### **OTHER OPTIONS CONSIDERED**

- 5.1 A significantly higher housing target would place greater strain on infrastructure and land resources as well as being unlikely to be deliverable within the plan period. A significantly lower housing figure would run the danger of not providing enough new homes to meet needs and undermine the City's attractiveness to new investment.
- 5.2 Alternative strategic urban extensions are identified in the report. Additionally, Amber Valley and South Derbyshire have concluded that there are no significant opportunities to provide a greater proportion of development within the main towns and villages of their District.
- 5.3 Within Derby itself, a strategy focussing entirely on brownfield regeneration sites was looked at, but would not provide enough new homes to meet needs. But there is limited capacity to satisfactorily accommodate a significantly higher provision figure to that proposed. Green belt land has been reassessed and is considered to still fulfil an important role separating Derby from Nottingham.



**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Stephen Teasdale Mazer Hussain
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<b>Background papers:</b>	Housing Requirement Study prepared by GL Hearn Limited and Justin Gardner
<b>List of appendices:</b>	Appendix 1 – Implications Appendix 2 – Draft text for consultation document 'Preferred Growth Strategy for Derby City' Appendix 3 – summary of Consultation and Communications Plan

## IMPLICATIONS

### Financial and Value for Money

- 1.1 Costs of preparing the Core Strategy are being met through the Spatial Planning and Climate Change budget and through remaining growth point funding.

### Legal

- 2.1 The preparation of a Core Strategy is a statutory requirement as is the duty to cooperate with other parties on strategic issues we hold in common pursuant to the Planning & Compulsory Purchase Act 2004 as amended by the Localism Act 2011. A key strategic issue for the City under the duty is that it cannot meet its future housing needs entirely within its own administrative area. The proposed consultation is part of the 'front loading' process of the local plan making process and will be followed by a formal publication plan for consultation next year.

### Personnel

- 3.1 This is a major work item within the Plans and Policies team of Spatial Planning & Climate Change.

### Equalities Impact

- 4.1 Locations with better accessibility to a range of shops, services and public transport will be more socially inclusive than those more reliant on the private car. The focus on regeneration will help improve older and more deprived areas.

Although not part of this consultation, the full Core Strategy will include policies to secure affordable housing and lifetime homes.

Sustainability and Equalities Impact Assessments are being prepared as part of the plan making process.

### Health and Safety

- 5.1 Consultation arrangements and venues will be assessed from a health and safety perspective.

### Environmental Sustainability

- 6.1 Environmental, social and economic sustainability lies at the heart of national planning policy and is a central part of the emerging Core Strategy. The preparation of a separate Sustainability Appraisal of the Core Strategy is a legal requirement of the process in order to fulfil obligations under the Strategic Environmental

Assessment Directive.

### **Asset Management**

- 7.1 Some land identified for development are owned by the Council.

### **Risk Management**

- 8.1 A considerable amount of evidence is being developed to underpin the strategy and alternative approaches have been considered as these are both tests of soundness that many local authorities fail to adequately meet. We are working closely with a range of partners on matters of common interest to ensure we meet the statutory 'duty to cooperate'.

### **Corporate objectives and priorities for change**

- 9.1 The main corporate implications will be for the Derby Plan priorities of a strong community and a thriving sustainable economy.