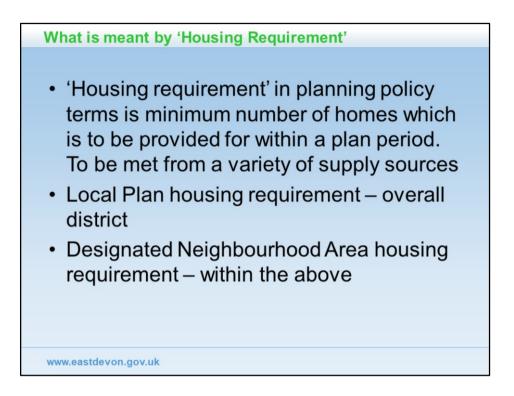


This will be relevant to all those who represent a currently Designated Neighbourhood Area (i.e. Neighbourhood Plan Area), or might do in the future if new designations are made.

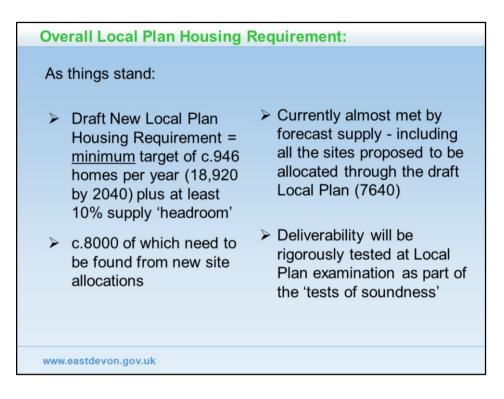
Slides will aim to give an introduction to DNA-HR - what is it; why do we need it in the Local Plan; what it will mean; what are the options and implications for how we approach this in East Devon.

Recognise that there is quite a lot to take in and so this is intended to be to start the conversation, and we will be following up after by survey, 1:1 discussions where needed and a formal consultation to inform the next stage of Local Plan preparation making.



LP Housing Requirement is for the whole of the East Devon district. Important to be clear that the requirement figure for the designated Neighbourhood Areas is part of the district wide total figure.

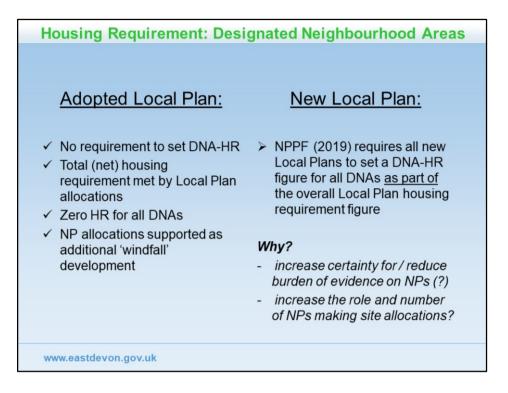
(Further information on housing supply sources later in the presentation.)



This shows the housing requirement target in the draft LP of which (after other supply sources) new site allocations to deliver in the order of 8000 homes are currently required.

This need for new sites allocations is almost met through ALL of the sites proposed in the consultation (Regulation 18) draft of the local plan, with a small shortfall.

This is still an evolving / fluid situation in terms of the actual numbers and the final sites, but ultimately the LP will need to demonstrate the total housing requirement is provided for to be found 'sound'. Delays to/issues with getting the LP to adoption carry risks in terms of our ability to resist development that we might otherwise as our adopted LP policies become more out of date and if we cannot demonstrate we have adequate housing land supply....

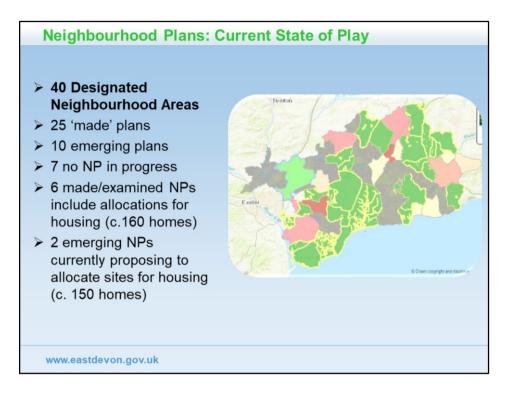


At the time the current adopted LP was being prepared, there was <u>no requirement</u> to set housing requirement figures for DNA's and so the net housing requirement to be met through new site allocations was covered entirely by those in the LP.

There was (and still is) a HR for all our DNAs of zero. This was what Neighbourhood Plan Groups (NPGs) were advised if they asked us for indicative HR figures to inform their plan making. Instead, NP allocations were supported through various strategic policies in the LP, with the onus on NPGs to gather supporting evidence, and where allocations were made they were seen as additional (or 'windfall') development.

So, why has the Government introduced the requirement to set figures for DNAs this time around? This is not overly clear. Appears to be regarding certainty and evidence for NP making as guidance says that the figures will not then need to be retested at NP examination. The National Planning Policy Framework (NPPF) also affords NP some extra protection against speculative development in certain circumstances where they are less than 2 years old and demonstrate they are fully meeting their housing requirement.

More generally, it seems likely that Government would like to encourage more allocations for housing sites to come through NPs.

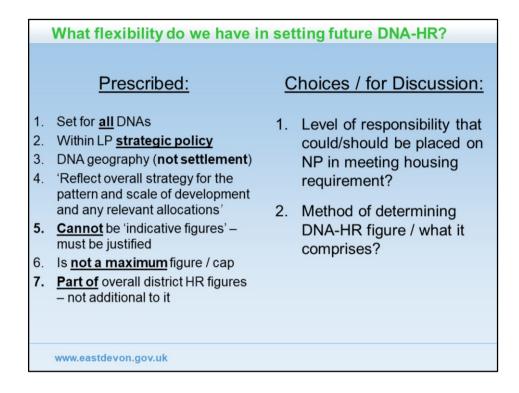


A quick reminder of the state of play of NP in East Devon.

NP very active in East Devon since concept of NP was introduced.

Designated Neighbourhood Areas cover just over 40 parishes and well over 60% population covered by a 'made' NP. Only the grey shaded areas on the map have no DNA.

As is typical nationally, a limited proportion have made site allocations (which we include in housing supply sources for monitoring/meeting district housing requirement). Acknowledge also that many NPs include policies to enable small scale/windfall development in particular locations or particular types without allocating specific sites.



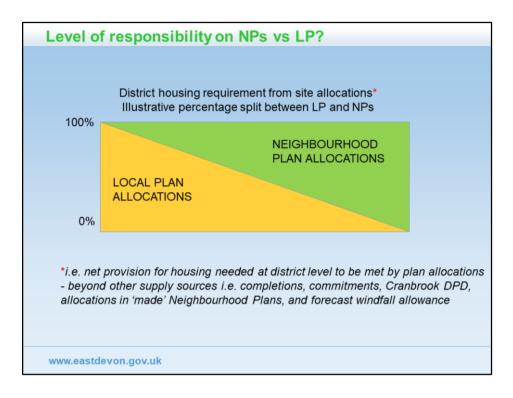
Very limited guidance from Government is given. What we do know is:

- Have to set HR for all 40 of our DNA irrespective of whether NP work has or is likely to progress (appears to be no mechanism to 'de-designate NA's);
- That this has to be in strategic policy which means new and updated NPs would need to be in general conformity to comply with the Basic Conditions for neighbourhood planning (and in any case NPs cannot plan for less homes than are set by LP strategy);
- that the figures must apply to the DNA geography so broadly more akin to parishes rather than settlements which is not a natural fit with our use of settlement hierarchy which underpins LP strategy works.
- However, guidance does tell us that we can take account of general policy making considerations such as the spatial strategy; evidence base; characteristics of the neighbourhood area (including population and role in providing services), and; areas or assets of particular importance (such as AONB designation).

Importantly, although the figures may help provide certainty to a point about the scale of development that can be expected, they are not a maximum and can be exceeded – incl. by additional NP allocations.

Because there is no set or established method, different LPA's and LP Inspectors are so far taking and testing different approaches through examination. This does mean we have some scope to approach this locally in the way that best suits our local circumstances – BUT whatever we do, it comes back to needing to be able to demonstrate a compliant, robust deliverable approach at LP examination.

2 main areas to pick up on which are not set are 1 & 2 above....



Picking up on the first point for consideration/discussion, this simple diagram illustrates a spectrum, ranging from the LP making 100% of the allocations to meet the minimum housing requirement on the far left, to more and more of a responsibility for this placed on NPs as you move to the right.

Unlikely to be realistic to move to far to the right where the district is reliant on NPs for meeting its housing requirement...but possible to move along the spectrum to some degree depending on NPs' ambitions for taking this on.

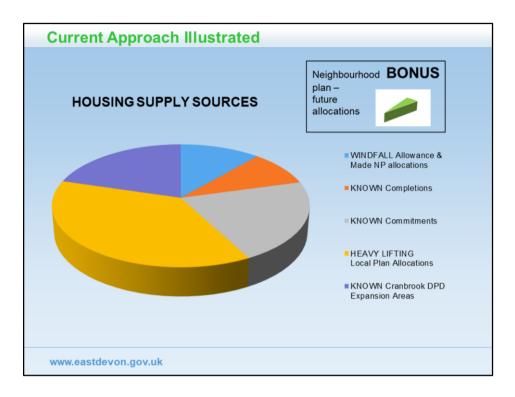
Current adopted LP and emerging LP so far sits on the far left. Even here it is important to note that this does not stifle what NPs can do as adopted and proposed strategic policy does and will still support and enable them to bring forward additional sites for housing (and of course other uses) to meet identified community needs.

The Current Approach		
EAST DEVON LOCAL PLAN - duty	NEIGHBOURHOOD PLANS – choice	
Main role: "heavy lifting" – LP identifies housing allocations (all set in strategic policies)	Main role: "bonus" – NPs identify additional allocations	
Duty to make strategic housing provision for at least the minimum requirement within strategic policy	Can choose to prepare a plan and whether to make local provision for housing to deliver community priorities / preferences	
Reliant on allocations & other supply sources to deliver LP housing requirement & supply necessary 'headroom'	Will need DNA-HR figure - BUT not mandatory to allocate – even if number is set!	
Onerous evidential requirements & robust testing at LP examination	Less onerous testing at NP examination – but risk to LP if it <u>relies</u> on future NPs allocating sites	
Devon www.eastdevon.gov.uk		

Approach in the emerging new LP continues the approach taken in the adopted LP – with the LP doing the 'heavy lifting' proposing allocations sufficient to provide in full for the minimum HR, alongside that from other supply sources [i.e. completions within the plan period, commitment (consented schemes), allocations in other adopted/made Development Plan Documents, forecast windfalls]. Onus is on us (the LPA) to evidence deliverability – substantial body of evidence needed, rigorously tested at examination, on-going monitoring & reporting.

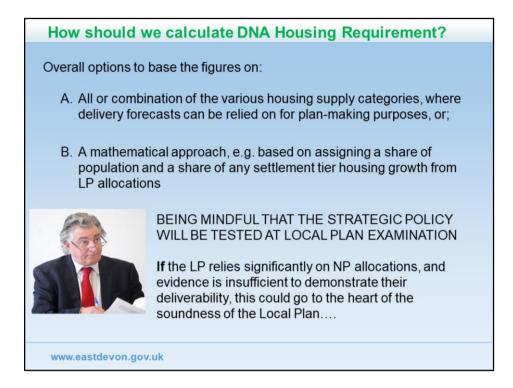
We take account of Made NP allocations, but essentially sites that come forward through emerging new / updated NPs would be additional. The thinking reflects the fact that communities are not required to prepare a NP and although if they wanted to make allocations they would need to work from the DNA HR as a minimum, there is also <u>no requirement</u> for them to make allocations. There is choice about what NPs seek to address and how they do this in planning to meet locally identified communities needs/priorities and preferences. Much less onerous testing at examination.

However, if the LPA was to rely on site allocations in future NPs as part of meeting district HR, there is a risk if those sites do not come through/deliver.



This chart illustrates the current approach underpinning LP, showing all the supply sources currently taken into account in meeting the district HR - where made NP allocations are within the overall HR picture (blue slice), but emerging/future NP allocations are not relied on and are additional but alternatively, NPs could be an extra supply slice within the pie? This is up for discussion.

The second part of what's up for discussion is the method used to determine the DNA-HR figure, which includes looking at these housing supply sources and whether they should be included in the calculation in a bit more detail....



- 2 broad options
 - 1 based on supply categories (the multi-coloured pie chart)
 - 1 based on mathematical apportionment of the district requirement
- Remember: DNA HR figures are <u>within</u> the LP strategic housing requirement for the plan period (*so they don't add to it*)
- Be aware that: DNA-HR figures could <u>not</u> be justified based on very local housing need at DNA level (*data does not support producing sufficiently robust forecast of housing need at a very local level to the end of the plan period*)
- However, PPG is clear that general policy making considerations can apply. (*i.e.* relevant policies, such as the spatial strategy; evidence base; characteristics of the neighbourhood area (including population and role in providing services), and; areas or assets of particular importance (such as AONB designation)).
- Need to consult on methods to set DNA-HR
- Different authorities (& examiners!) taking different approaches
- Different options may have different implications for NPs
- Whatever we do needs to be justified and defensible...

Pros	Cons
Part of the complete supply picture – recognises development already occurred within any DNA	Uncertainty of LP timetable. May have to redo the figures for a 2020 to 2024 time period
No risk of shortfall in this category No need for Neighbourhood Plans to offset shortfalls	
Fixed and known numbers, mix, locations, and timing of delivery	Cannot be changed or controlled through NP

Completions (the orange slice of the pie) have already happened since the start of the plan period.

They are known and can't be changed.

Only issue for NP/LP is as time moves on we should take latest data into account e.g. new 2024 monitoring data when available.

We will need to 'fix' the completions count a point in time so that we can produce the supply figures for the Reg 19 version of the Local Plan.

May have to update again during the LP examination.

A. Housing Supply Sources – Pros and cons of including:			
2. Commitments (i.e. outstanding planning approvals where dwellings remain to be completed - at end March 2023)			
Pros	Cons		
Part of the complete supply picture Recognises development already permitted within any DNA	Uncertainty of LP timetable. May have to redo the figures to an end March 2024 point in time		
Known numbers, locations and mix	Planning approvals may not be implemented (i.e. approval expires)		
Delivery timing is not known but LPA produces housing delivery forecasts	Possible delays, or non-completion		
LP depends on this supply category being delivered and manages risk of commitments expiring ('headroom')	Possible risk for NPs to provide if commitments are included in DNA-HR but permissions expire or implementation is delayed/stalled		
www.eastdevon.gov.uk			

Commitments (the grey slice of the pie) are also known – in that they have planning permission and have not been built or expired at 2023.

Delivery is not known BUT we produce forecasts of housing delivery e.g. for each large site we forecast which year completions start, and then subsequent years build rates until all are completed and occupied.

We manage uncertainty about the future delivery through the supply headroom (LP is aiming for supply identified as 10% above the housing requirement)

One issue for NP/LP is as time moves on we should take latest data into account e.g. new 2024 monitoring data when available. Again, we will need to 'fix' the completions count so that we can produce the supply figures for the Reg 19 version of the Local Plan and may have to update again during the LP examination.

Other issue for NPs is the risk if commitments included in the DNA HR figure expire - potential to make housing provision to offset expired permission losses.

A. Housing Supply Sources – Pros and cons of including:			
3. Other adopted Development Plan Documents : Cranbrook DPD Expansion Areas - allocations			
Pros	Cons		
Part of the complete supply picture The Cranbrook Plan is a DPD. Already planned for & examined	(Note : sites allocated in DPD 'strategic policies' precludes NP alternatives to those allocations)		
Neighbourhood Plans will not be required to offset any delivery shortfall in this category	DPD plan area may overlap DNA boundaries. Need to consider what this means for DNA housing requirement figures		
Known numbers, locations and mix and a very significant supply source	Complexity – apportionment? where sites fall in more than one DNA		
Delivery timing is not known but LPA produces LP housing forecasts			
www.eastdevon.gov.uk			

Cranbrook Plan (the purple slice of the pie) adopted as a Development Plan Document 19 October 2022 i.e. this is now part of the statutory development plan for East Devon. It makes significant housing provision for 4170 dwellings via 4 strategic policies for Expansion Areas (i.e. site allocations).

We know about these - known scale and strategic location. Planning applications already progressing through the Development Management process.

LPA forecasts the delivery of the Expansion Areas, and will update these each year.

Potential issue of 'apportionment of housing' ahead of masterplans and/or detailed planning applications, if the allocations fall in more than one DNA.

Only issue for NP is if Designated Neighbourhood Area boundaries overlap the DPD plan area, and in particular overlap the Expansion Areas on the DPD Policies Map.

A. Housing Supply Sources – Pros and cons of including:		
4. Emerging Local Plan Allocations		
Pros	Cons	
Part of the complete supply picture	Not part of a DPD until LP is adopted	
Neighbourhood Plans will not be required to offset any delivery shortfall in this category	(Note : sites allocated in LP 'strategic policies' precludes NP alternatives to those LP allocations)	
When LP adopted - known numbers, locations and mix	Uncertainty - subject to on-going change from now until LP adopted Complexity - apportionment where sites fall in more than one DNA	
Delivery timing is not known but LPA produces housing delivery forecasts	Uncertainty - deliverability tested at LP Examination	
LP depends on delivery, but includes 'flexibility' (i.e. supply headroom) to manage uncertainty	Issue of duplication if NP and LP both allocate the same site – cannot double count	
www.eastdevon.gov.uk		

Emerging LP allocations (the gold slice of the pie) is the largest supply category in the draft Local Plan. It provides the 'heavy lifting' to ensure that sufficient supply is identified by allocating sites, which together with the other supply sources will meet the housing requirement PLUS the 10% headroom. Currently draft LP strategic policies cover all the emerging LP site allocations.

There are onerous evidence requirements. The LP examination will robustly test the allocation sites identified, the site selection process and the housing delivery forecasts.

Once the plan is adopted the supply category is also a known, but we have a long journey to go from the draft plan to an adopted plan. Sites, delivery timing, and site capacities can change.

NPs do not have to offset any delivery shortfall in this supply category.

Issue of apportioning sites that cover more than one DNA – we will need evidence / method to justify how much to apportion to each DNA

Going back to the slide on the Level of responsibility on NPs vs LP (the yellow and green triangles), the key question for NP communities is whether you want LP to do all /nearly all the heavy lifting in taking responsibility for identifying sites so that the housing requirement and headroom can be met from all identified sites from the forecast date of LP adoption.

A. Housing Supply Sources – Pros and cons of including:			
5. Other adopted Development Plan Documents : Made Neighbourhood Plan Allocations			
Pros	Cons		
Part of the complete supply picture Already planned for & examined	Can only be changed by formally updating NP		
Known numbers, locations and mix	Made NP allocations currently a very small part of overall supply		
Delivery timing is not known but LPA produces LP housing forecasts	Timing of supply delivery may be tested at LP Examination – NPGs may need to attend		
www.eastdevon.gov.uk			

Made NPs are also Development Plan Documents (part of the blue slice of the pie).

They are part of the development plan.

They cannot be changed other than by going through the plan making process (see next slide for updating Made NPS)

Currently made NPs housing provision (allocations) account for less the half of one percent of the total requirement (plus 10% headroom).

LPA can forecast housing delivery on the sites, but we would to justify the forecasts , and it may be tested at the LP examination.

May need your support at the Examination if you have housing provision in your Made NPs.

A. Housing Supply Sources – Pros and cons of including:			
6. Emerging NP Allocations/Neighbourhood Planning Orders			
Pros	Cons		
Part of the complete supply picture	Not part of a DPD until NP is made		
Recognises potential for new NPs / Updating Made NPs to add to supply	NPs not required to make housing provision May be a small part of overall supply Uncertain timing of NP preparation		
For new NPs/Updating Made NPs at an advanced stage - Numbers, locations and mix 'known'	Numbers, locations and mix not 'known' for NPs at early stages Advanced NP numbers may change		
Delivery timing is not known but LPA could forecast housing delivery for advanced stage NPs allocations	Timing of supply delivery likely to be tested at LP Examination		
NPs can allocate sites that might be otherwise be future windfalls	Overlap between NP "small site" allocations and windfall allowance		
www.eastdevon.gov.uk			

Emerging NP allocations (the Green Slice - the Bonus/additional slice, or could this slice be part of the supply 'pie'?). This is particularly relevant for our NP communities, going back to the question of the level of responsibility on NPs vs LP?

If NPs want to take more responsibility by allocation more sites for more dwellings, there is then a reason for potentially reducing the amount of Local Plan allocations. But we still need to ensure that sufficient sites and dwellings are identified by NPs and LP so that the housing requirement and headroom can be met from all identified sites from the forecast date of LP adoption.

There is no requirement for you to make housing provision in your NPs. It is a choice, whether you want your plan to make provision for housing. The LP examination will robustly test the allocation sites identified, the site selection process and the housing delivery forecasts.

Key issues:

- 1. Can we rely on supply from NPs allocations at advanced stage of plan making (need evidence of sites and delivery)
- 2. Can we rely on supply from NPs at early stage of plan making (probably won't have evidence of sites and delivery in time for the LP Reg 19 Publication plan)
- 3. Issue of overlap between NP small site allocations and the small sites (less than 20 homes) windfalls allowance need to avoid double counting.

Once the NP is 'made', the supply category is known, but long journey to go from the now to an adopted plan, and sites, delivery timing, and site capacities can change.

A. Housing Supply Sources – Pros and cons of including:			
7. Windfalls (future sites not allocated or approved as at 2023)			
Pros	Cons		
Part of the complete supply picture LP depends on 'small' windfall delivery to meet housing requirement	Risk if windfalls do not continue to come forward. Subject to DPD policies which may change		
Numbers, locations, mix, timing not 'known'. LPA forecasts districtwide 'small' windfalls allowance to 2040	Difficulty of forecasting windfall allowance at DNA level and justifying for LP Examination		
Potential for new NPs / Updating Made NPs to accommodate windfalls An NP would not have to offset windfall shortfalls from elsewhere	NPs not required to make housing provision Uncertain timing of NP preparation		
NPs can allocate sites that might be otherwise be future windfalls	Overlap between NP "small site" allocations and windfall allowance – avoid double counting		
www.eastdevon.gov.uk			

Finally, windfalls (part of the blue slice of the pie)

A substantial part of the supply which we rely on o deliver the housing requirement and 10% headroom.

Opportunity for NPs to consider a windfall allowance, but not required to make housing provision.

These are sites that are currently unknown i.e. not allocated in a DPD/emerging DPD nor with planning permission.

For the Local Plan we forecast small windfall sites' delivery over the plan period.

The future is not known – they may not come forward at the rate we forecast.

Issue is how to forecast windfall allowance at the DNA level and justify this at the LP examination

Possible overlap between NP small site allocations and windfall allowance.

Large windfalls are not forecast – too tricky. They will add to supply.

	Shine - extra	act from Ad	opted Lot	airian
Table A1.1. Housing Requirements for Parishes				
Parish	Dwellings built 2018-2021 ³²	Dwellings with permission ³³	Dwellings allocated only ³⁴	Requirement from the plan ³⁵
Aisthorpe	0	0	0	0
Anwick	0	14	0	14
Apley	0	0	0	0
Asgarby & Howell	2	0	0	2
Ashby de la Launde & Bloxholm	3	5	0	8
Aswarby & Swarby	1	1	0	2
Aubourn & Haddington	1	0	0	1
Aunsby & Dembleby	0	3	0	3
Bardney	51	200	54	305
Barlings	30	30	0	60
Bassingham	8	5	59	72
Beckingham	3	1	0	4
Bigby	15	4	0	19
Billinghay	30	231	350	611
Bishop Norton	8	2	0	10
Blankney	0	4	0	4
Blyborough	0	7	0	7
Blyton	25	20	62	107
Boothby Graffoe	0	7	0	7

Not a direct comparison and not the only way to approach the setting / showing of DNA HR figures in the LP, but one of the more workable/compliant examples we have found so far in the Central Lincolnshire Local Plan adopted April 2023.

Potentially something we could work with/adapt – however important to note that the Central Lincolnshire Plan does not need to rely on windfalls AND identifies supply for requirement PLUS over 40% headroom. They have few made NPs with allocations, but no need for additional NP supply due to the scale of their headroom.

We would want to show LP and NP allocations separately and would need a column for windfalls.

Also interesting they have gone further than NPPF requires and show the calculation for ALL parishes – not just those with a DNA.

B. Mathematical approach – Pros and cons:		
Apportionment		
Pros Cons		
Only for 'unmet need' (excludes completions and commitments)	DNA-HR figure does not include need met by these known supply sources	
Apply PPG-NP #101 broad principles No set method in PPG	EDDC has to justify the method Risk of challenge at Examination	
Mathematical - informed by LP need, settlement hierarchy, population, assets of particular importance	Depends on model / proportions Uncertainty. LP spatial strategy and need may change by Reg 19 stage	
Takes account of LP allocations - shows DNA shortfall/surplus	Shortfall is DNA housing requirement NP cannot reduce a surplus	
How and when 'unmet need' is delivered does not rely on LPA's delivery forecasts for supply categories	What evidence to justify deliverability NPs not required to make housing provision Uncertain timing of NP preparation	
www.eastdevon.gov.uk		

This is a different approach.

It relies on apportioning the residue of the housing requirement after deducting known supply e.g. from commitments and completions.

It needs to apply broad principles set out in PPG (housing need; spatial strategy (e.g. settlement hierarchy), population and assets of particular importance BUT there is no set method. The LPA has to justify the method.

We can then take account of the Local Plan allocations.

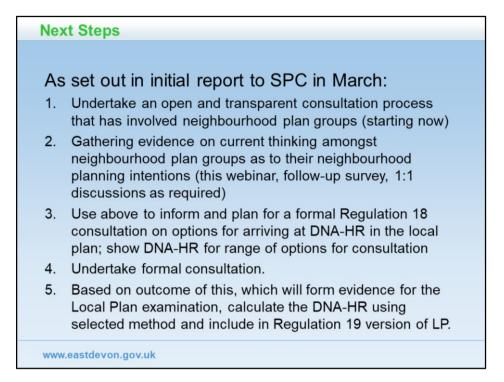
The problem is this can result in a very confusing Housing requirement figure where the LP allocations in a DNA are more than the 'apportionment' for the DNA (for 'strategic reasons') and can end up with negative figures.

We also still need evidence to show that there is potential supply to meet the apportionment. Still have onerous evidential requirements on delivery.

Discussion

- 1. What role do/might Neighbourhood Plans want to take in housing provision going forward and what degree of responsibility for meeting housing requirement numbers?
- 2. What benefits (if any) do you see of having a housing requirement number for your Designated Neighbourhood Area included in a strategic policy in the Local Plan compared to the current approach?
- 3. Any initial observations on how we might best identify a DNA housing requirement figure that is robust, transparent, relevant and its purpose easy to understand?
- 4. How can we best engage with yourselves, communities and other stakeholders in a consultation on approaches to identifying housing requirement numbers for Designated Neighbourhood Areas?

www.eastdevon.gov.uk



Timing of further consultation likely to depend on awaited Government announcements on changes to the NPPF and planning system...