

This summary paper was produced in 2018 to inform Members of the emerging Housing and Economic Strategy in the Dartmoor Local Plan Review.

Local Plan – Outline Housing and Economic Strategy

This Paper provides an overview of the key strategic issues around housing and employment for the Local Plan, it outlines the environment in which these operate, and describes an emerging housing and economic strategy for the Local Plan. It has been produced to facilitate discussion with Members as policy begins to take shape.

1. Objectively Assessed Housing Need

This is a rapidly changing area of policy evidence. To date Local Planning Authorities have produced Strategic Housing Market Needs Assessments (SHMNA), either independently or across the Housing Market Area which identify an Objectively Assessed Housing Need (OAN) for the area. This OAN is a 'policy off' figure derived in essence from household projections and market signals. DNPA has worked in partnership with both the Plymouth and Exeter HMAs to produce SHMNAs in the past. These have provided an OAN for the HMA, but not a specific figure for Dartmoor.

More recently Government has proposed to provide Local Authorities with an OAN calculated at a national level. These do not provide a housing figure for National Park Authorities. Providing further advice around this, the draft National Planning Practice Guidance (NPPG) states "plan-making authorities who wish to depart from the standard approach should have compelling circumstances, which are properly justified and will be subject to examination. However, where plan-making authorities do not align with local authority boundaries, such as National Parks and the Broads Authority, available data does not allow local housing needs to be calculated using the standard method... Such authorities may continue to identify a housing need figure locally, but in doing so have regard to the best available information on anticipated changes in households as well as local affordability levels".

Under the old process, and the new, National Park Authorities tend to be treated differently and arguably the new approach gives clearer justification for DNPA taking a tailored approach.

Consultancy *Three Dragons* has prepared for DNPA detailed housing technical analysis. This has provided DNPA with an appraisal of the different methodologies for producing an OAN. Out of a refinement to three options of 30, 50, and 80 units (dwellings) per year, Three Dragons has advised that the most robust and defensible figure is 30. This would be the 'policy off' assessment of affordable housing need only.

2. Housing – the story

The National Planning Policy Framework (NPPF) states that Local Planning Authorities should meet their full Objectively Assessed Housing Need, where this can be achieved taking into account other policy factors in the NPPF. In the context of National Parks there are a number of key considerations:

- The Environment Act 1995 sets out the purposes of National Park designation, and at that time provided for National Park Authorities as standalone Local Planning Authorities, a clear outcome of which being that it enables National Parks to establish local planning policy which could reflect their distinct circumstances, and the importance of the area.
- The Government Circular and Vision for the National Parks and the Broads (2010) states "The Government recognises that the Parks are not suitable locations for unrestricted housing and does not therefore provide general housing targets for them. The expectation is that new housing will be focused on meeting affordable housing requirements, supporting local

employment opportunities and key services. The Government expects the Authorities to maintain a focus on affordable housing and to work with local authorities and other agencies to ensure that the needs of local communities in the Parks are met and that affordable housing remains so in the longer term”.

- Both the NPPF 2012 and the draft NPPF 2018 state that “Great weight should be given to conserving landscape and scenic beauty in National Parks”. The draft NPPF 2018 goes on to state “The scale and extent of development within these designated areas should be limited.”

The above begins to describe the justification for an approach to housing numbers within a national park which may differ from the approach taken by neighbouring Local Planning Authorities. It also shows a consistent message from Government that National Parks are exceptional to its normal housing and planning policies.

The above factors lead to a pattern of high demand, and constrained supply. Most National Parks, including Dartmoor, have therefore adopted a strategy within their local plans which reflects factors such as:

- An important landscape and landscape character highly sensitive to change
- Rich biodiversity and cultural heritage which limits opportunities for development
- A high level of housing need, and popularity of housing in the National Park, which can lead to higher house prices and higher land values
- Services, facilities and infrastructure which reflect their deeply rural nature

There are, however, contrasting pressures arising from projected change in the make-up of Dartmoor’s population. Demographic projections have been undertaken by Edge Analytics which explore a number of scenarios (in line with those described above).

In the case of the lower Dwelling-led +30 scenario (i.e. 30 new dwellings per year), the population of Dartmoor declines by -1.5% in 2035. This produces a smaller annual net migration average (+156), that is unable to replace the population lost through natural change. The Dwelling-led +50 scenario is the current local plan housing figure. In this scenario, the population is maintained at its current level, with the estimated in-migration providing a balance to the population ageing effects. This has largely proven the case between the 2001 and 2011 census.

In the Dwelling-led +80 scenario, the population of the National Park is forecast to increase by 5.4% 2015–2035. With an average annual growth of 80 dwellings per year, a higher level of average annual net migration results (+261 per year), replacing the population lost through natural change.

The majority of the Dartmoor National Park population is aged 50+, with 26% aged 65+ in 2014. With higher life expectancies, coupled with a continuation of its existing migration trends, the ageing profile of the resident population of the Park will become more exaggerated over the plan period. Household growth is projected to be most pronounced in the oldest age groups, with a reduction in the number of households for all ages under 64. This has important implications for the level and type of service provision in the area, particularly in relation to housing.

At odds with the policy context of constraint upon growth, the demographic projections therefore paint a picture of a policy driver for a higher level of housing, beyond the OAN. Levels of growth would have to be significant, along with a range of other policy tools, in order to counter this change. However higher levels of housing growth will go some way to mitigate the projected significant increase in the proportion of older residents, as well as avoiding gradual population decline.

The outcome of the above would favour a strategy which places great weight upon:

- Understanding and meeting locally derived need, including the mix and type of houses.
- A focus upon affordable housing delivery on-site
- Maximising brownfield development, existing buildings, and efficient use of land
- Close collaboration through the Duty to Co-operate to meet the need for general market housing outside the area
- Maximising the effectiveness of available land by

- resisting speculative development which may use land in limited supply without meeting identified local needs
- securing affordable housing to meet local needs in perpetuity
- Setting a plan target which is beyond the OAN, and beyond the current 50 dwellings per year to counter an ageing and declining population
- Providing opportunities for family sized housing
- Identifying, and seeking to meet the housing needs of older people

3. Economy – the story

The NPPF states “planning policies should support economic growth in rural areas in order to create jobs and prosperity by taking a positive approach to sustainable new development”. To promote a strong rural economy, local and neighbourhood plans should:

- support the sustainable growth and expansion of all types of business and enterprise in rural areas, both through conversion of existing buildings and well-designed new buildings;
- promote the development and diversification of agricultural and other land-based rural businesses;
- support sustainable rural tourism and leisure developments that benefit businesses in rural areas, communities and visitors, and which respect the character of the countryside.
- promote the retention and development of local services and community facilities

An Economic Development Needs Assessment (EDNA) has been completed which includes the National Park. This concludes “growth of 1,710 net additional jobs is forecast in Dartmoor over the 25-year period. This equates to approximately 70 jobs per annum. This equates to around 17% growth over the entire period. Forecast growth in Dartmoor National Park will require approximately 5 ha of new employment land in total over the period to 2040”.

While this forecast growth is positive and in line with the projections made in the other reviewed reports, it is important to recognise that they are all based on national and regional forecasts for economic growth. Unfortunately, these wider forecasts do not take into account local issues which will impede growth – which in the case of Dartmoor is the age profile of its resident population. ONS projections indicate that the number of working age people (16-64 years) living on Dartmoor will decrease by 2,000 – 2,500 within the next 20 years.

This issue is of great significance when considering how to respond to support businesses and the local economy, and the scope to do so. The impact of a decrease in the size of the workforce will be extensive labour and skills shortages, making it difficult for many local businesses to continue operating at their current levels and preventing others seeking to develop and grow.

Furthermore, such a changed profile in the age of the residential population is likely to result in a change in the types of businesses which are in demand – specifically, resulting in an increase in demand for services such as adult social and residential care, either in homes or on a domiciliary basis and corresponding decreases in demand for services commonly sought by younger and middle-aged people. The key points arising from this are:

- If the total workforce within the National Park is to remain either at the same size as currently or to grow over this time period, a combination of the following will need to happen:
 - The proportion of the working age population living in the National Park who are economically active (either employed or in self-employment) will need to increase from its already high level;
 - Those who have reached 65 and who both are living and working in the National Park will need to continue working beyond their “natural” retirement age; and/or
 - More workers will need to come in from areas outside the park, i.e. to commute in from the LA areas that surround it, to replace those who have left it;

- If this last process proves to be the main means of “replacement”, the current overall pattern of out-commuting from the National Park (currently a net out-commute of c.2,000 workers) is likely to be markedly changed and may well be actually reversed unless a significant proportion of the replacement workers can be attracted to live within the Park; and
- Businesses based on Dartmoor will find it increasingly difficult to attract sufficient numbers of employees because of the increased competition for those still of working age living within the National Park and the issues associated with commuting in, such as the lack of public transport, cost of travel (relative to wages) and the seasonal nature of many of the jobs for those living outside.

The outcome of this analysis has implications which may fall beyond the scope of the planning system and the role of the Authority. However the planning system should create an environment which supports economic change, and housing/demographic change, which responds to these projections. In part a population increase is the most direct way in which to respond to change. The above issues would therefore favour a strategy which:

- Seeks a net increase in population, within environmental constraint
- Focusses/enables any population increases within the Local Centres in order to provide a working age population in the most sustainable locations
- Prioritises affordable housing, in order to support delivery of homes locally for lower wage jobs
- Provides appropriate opportunities for affordable workspace
- Facilitates improvements in skills and other means which might reduce out commuting

4. Local Plan - indicative delivery figure

In response to the above it is proposed that the Local Plan will contain an *indicative housing delivery figure* of 65 dwellings per year.

This figure reflects DNPA’s intention to meet the stated OAN (of 30 dpa), and is an increase on the indicative figure of 50 dwellings per year in the current local plan in response to a range of market signals around affordability, demographic change, and employment needs, which indicate the Local Plan should seek a level of population growth.

At a wider strategic level this identifies the contribution the National Park can make to delivery within the two Housing Market Areas (HMAs). With this indicative level of provision, considering the Duty to Co-operate, the OAN for both HMAs is currently met. Importantly though, this is an indicative contribution towards the overall OAN which is ultimately more locally derived, therefore reflecting local circumstances as provided for through national policy. It does not indicate that the National Park Authority is seeking to provide for a level of development which might reflect aspirational growth agendas across the wider HMAs, but sustains a local focus consistent with long standing policy.

With reference to local strategy this figure recognises that is desirable for the Local Plan to:

- Allow for a level of cross subsidy which supports the delivery of affordable housing
- Avoid the declining population of the National Park
- Limit the projected ageing population profile
- Limit the projected decrease in the working age population
- Respond to constraints on supply and delivery described above

5. Spatial Distribution and Policy Approach

Taking this indicative delivery figure into account, the Local Plan will set out a range of policy tools which pursue the overall housing and economic strategies. Through initial engagement DNPA has identified the need to respond to, in particular:

- a desire for greater flexibility and opportunity in Dartmoor’s smaller communities, both in respect of housing and employment

- opportunities around the conversion of traditional buildings
- the broader needs of the farming community
- The needs of an ageing population, and the loss of younger and working age people
- a desire to focus development in the most sustainable locations, but a reluctance by some larger communities to provide for anything beyond their 'fair share'

In response to this the Local Plan will contain housing and economic development policies which work in tandem as follows:

Housing

- Aim to deliver 60% of new homes in Local Centres, and 40% elsewhere in the National Park
- Allocate suitable land for housing in Local Centres, to come forward only to deliver an identified local need at that time
- Ensure that new housing development responds to identified local needs in terms of size, type and tenure
- Prioritise the delivery of affordable housing in perpetuity, seeking 45% affordable housing contributions on allocated sites, and windfall developments of more than 3 dwellings
- Support a flexible rural exception sites approach, which sustains availability of suitable land for community-led housing
- Seek high standards of accessibility, energy efficiency and design, providing for the needs of older people and reducing housing costs overall
- Support small scale development including infill, conversions and self/custom build.

Economic development

- Enable a range of employment opportunities within the National Park, improving the self-containment of settlements, and supporting opportunities for skills and training
- Enable a mix of new employment development to come forward in Local Centres, and other sustainable locations
- Protect employment land in Local Centres, identifying and enabling opportunities for more efficient use of employment land and business premises, but where this would not lead to the loss of more affordable premises

Alongside this DNPA will take a proactive approach to delivery, in particular through the continued collaborative working with constituent housing authorities, a new Planning Enabler post, and through pursuit of proactive projects and funding opportunities, including an increased use of commuted sums. DNPA will continue a robust approach to monitoring and respond to the need for further guidance or policy review.

Local Centres	Rural Settlements	Villages & Hamlets	Open Countryside
Settlement boundaries define the extent of the town or village. 80% staircasing restriction on shared ownership does not apply, but all affordable properties remain local occupancy in perpetuity.	Settlement boundaries define the extent of the village. 80% staircasing restriction on shared ownership applies.	No settlement boundaries – planning judgement as to whether a development is well related to the settlement. 80% staircasing on shared ownership restriction applies.	n/a
Sites allocations to meet housing need, and respond to redevelopment opportunities. 45% affordable housing on site. Sites to come forward only when there is an identified need for affordable housing. Pre-application concept statement if over 40 units.	No allocated sites	No allocated sites	No allocated sites
Rural Exception Sites may come forward adjoining settlement with 100% affordable housing. This may reduce to not less than 75% where cross-subsidy is needed for viability. Where there is a need identified for community infrastructure this may be delivered with a minimum of 45% affordable housing. Sites to come forward only when there is an identified need for affordable housing.	Rural Exception Sites may come forward adjoining settlement with 100% affordable housing. This may reduce to not less than 75% where cross-subsidy is needed for viability. Where there is a need identified for community infrastructure this may be delivered with a minimum of 45% affordable housing. Sites to come forward only when there is an identified need for affordable housing.	Rural Exception Sites may come forward within or adjoining settlement, 100% affordable housing. This may reduce to not less than 75% where cross-subsidy is needed for viability. Sites to come forward only when there is an identified need for affordable housing.	No Rural Exception Sites
Infill sites on sites of up to 3 units 45% affordable housing on site or commuted sum. On sites greater than 3 units 45% affordable housing on site.	Infill sites on sites of up to 3 units 45% affordable housing on site or commuted sum. On sites greater than 3 units 45% affordable housing on site.	Infill sites within gaps in otherwise built frontage, for a maximum of 3 units. 100% affordable housing on site.	No infill sites
Self/Custom Build on infill sites of up to 3 units or through conversion (local occupancy restriction). On sites greater than 3 units 45% affordable housing on site.	Self/Custom Build on infill sites of up to 3 units or through conversion (local occupancy restriction). On sites greater than 3 units 45% affordable housing on site.	Self/Custom Build on infill sites of up to 3 units or conversion 100% affordable housing on site.	Rural workers dwellings (agricultural / forestry) & extended family (for succession farming).

Local Centres	Rural Settlements	Villages & Hamlets	Open Countryside
Conversions within, adjoining, or well related to and well connected with the settlement 45% affordable housing commuted sum	Conversions within, adjoining, or well related to and well connected with the settlement 45% affordable housing or commuted sum with local occupancy restriction	Conversions within or adjoining the settlement, 100% affordable housing on-site only	Conversion of redundant historic buildings for employment or residential uses (restricted to local occupancy)
One Planet (low impact development) may take place where it is well related to and well connected with the settlement	One Planet (low impact development) may take place where it is well related to and well connected with the settlement		n/a
Development to meet gypsy and traveller needs may take place where it is well related to and well connected with the settlement	Development to meet gypsy and traveller needs may take place where it is well related to and well connected with the settlement		
New employment development may come forward within and adjoining settlements. Existing business and premises may expand.	New small scale employment development may come forward within and adjoining settlements. Existing business and premises may expand.	Existing business and premises may expand within environmental limits. New employment development only where it has an essential need to be located with that settlement.	Existing business and premises may expand within environmental limits. New employment development only where it has an essential need to be located in the open countryside.
New infrastructure, services and facilities may come forward to support the community and its wider hinterland.	New infrastructure, services and facilities may come forward to support the community.	New infrastructure, services and facilities may come forward to support the community.	Only infrastructure, services and facilities only where it has an essential need to be located in the open countryside.