

**North York Moors National Park Local Plan**

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**HEARING STATEMENT**

**Matter 2 Communities – Strategic Policy M  
(Housing)/policies CO6-CO20**

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**The Mulgrave Estate**

**16 October 2019**



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## 1 Introduction

- 1.1 This hearing Statement has been prepared by John Long Planning Ltd, on behalf of the Mulgrave Estate. It relates to representations submitted on behalf of the Estate to the NYMNP Local Plan (pre-submission version). The Statement provides information and responses to the Inspector's Matters, Issues and Questions For examination published in September 2019. The Mulgrave Estate is a major landowner and employer in the National Park has a large portfolio of over 200 properties and other commercial and farming interests in the Park and employs around 40 people.
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## 2 Response to Inspector's Issues

### **Matter 2, Issue 2.1: Does the plan set out an appropriate strategy for addressing the National Park's falling population levels and aging resident population, along with the need to support the local economy?**

- 2.1 The Plan recognises that a key challenge it must address is the need to stabilize population levels and encourage younger people to stay in or move to the area (para 2.28). That requires new housing to be built, much of which must be affordable (para 2.29). An increased number of homes, sufficient to stem population decline, especially amongst economically active age groups is necessary to meet a further key challenge of overcoming the recruitment difficulties faced by business in the National Park (para 2.30). If the plan does not contain effective and justified policies to achieve these objectives in a manner consistent with the enhancement and protection of the National Park's outstanding environment then, on its own terms, it will not be sound.
- 2.2 The Plan is not sound and defective in 4 respects.
- (1) it underestimates the amount of new housing needed to address falling population levels, particularly amongst young families;
  - (2) because it does not provide any certainty how or where most of new housing will be delivered, relying mostly on chance (windfalls/conversions/rural exceptions) to deliver up to 60% (331 dwellings) of the housing requirement, rather than a more certain strategy, underpinned by modest, carefully selected, environmentally acceptable allocations for housing in the larger and smaller villages across the Park;
  - (3) it does not adequately set out how the high level of affordable housing will be delivered; and
  - (4) has not properly considered what the Park's businesses employment/job needs will be and how the needs will be met to support the local economy.
- 2.3 The Authority's housing need evidence is set out in the SHMA (GL Hearn 2016). It identifies the Park's main population issue, i.e. it has a significantly aging population with 61% of the population over 45, compared to an England average of 43% (paragraphs 5.9-5.15). Using a baseline projection model, an average level of net in-migration of 95 people per annum (931 moving in and 836 people moving out) is identified (para.5.18). The analysis suggests high levels of migration amongst the population aged up to about 64 years.

- 2.4 It notes that under the different population projecting scenarios, the Park would suffer continued population decline (particularly amongst younger people). The baseline scenario would see a population decline of 1,070 people (4.6% decline) (para.5.24). In a zero net migration scenario the Park's population would decline by 3,323 (14.3% decline) as deaths outstrip births. It suggests that to support a stable level of population in the Park (based on 2014 population), net in-migration of around 2,945 people (140 per annum) is necessary (para.5.25).
- 2.5 The SHMA translates the projected population changes into households and then into new dwellings to accommodate households, based on different scenarios. To maintain a stable population (2014 levels), it suggests an extra 25 new households must form each year, requiring an additional 609 dwellings (between 2014-2035) (29 new dwellings per annum) (para. 5.38).
- 2.6 The SHMA suggests that with the baseline scenario (business as usual), there will be a decrease in the economically active population of around 270 people; with the 'no population growth' scenario (maintaining 2014 population levels) seeing economically active population increase by 333 people (16 people per annum), but could only be supported by more people in the pensionable age bracket remaining in employment (para.5.72).
- 2.7 The SHMA also looks at affordable housing needs and suggests that there will be a need for 446 affordable dwellings between 2014-2035 (21 per annum) (para. 6.62), with 20% being intermediate housing and 80% being social and affordable rented housing (para. 6.72). The SHMA does not explain how this level of affordable housing will be met, but acknowledges that there may need to be delivery of further market housing in order to viably deliver the affordable housing needed (para.6.73). That means if the Plan is to tackle the shortfall of affordable housing for younger households, stem population decline and recruitment difficulties it must provide significantly more than 29 dpa.
- 2.8 This point is best illustrated by reference to past levels of delivery and the impact that it had on the Park's population. The Housing Topic Paper (para. 6.8) confirms that between 2001 and 2017 there was a 4.2% fall in population (997 people). However, the SHMA and Housing Land Availability Assessment (2019) indicate that over the same period, completions averaged at 42 units per year. (para.7.32 Figure 30). Therefore, it is simply not credible to proceed on the basis that the delivery of 29 dpa up to 2035 will stabilize population levels and secure enough affordable homes for young people, having regard in particular to the fact that the trend for household size to fall is expected to continue.
- 2.9 Furthermore, the Housing Topic Paper (para 9.15) suggests that without migration (zero net migration), the Park's population level would decrease by 3,300 people by 2035, as deaths exceed births. It therefore seems logical that if population levels are to be maintained, in-migration at a similar level is needed to offset this decline as the trends are unlikely to be reversed, particularly given the Park's aging population, and trend towards smaller households.

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- 2.10 The main contributor to overcoming this population decline and encouraging in-migration is new housing. Yet it is not clear how the Strategy's suggested increases of 519 households and 551 new dwellings up to 2035 will result in 3,300 people coming into the Park to offset natural change (or the 2,945 people suggested in the SHMA). On the face of it, that would seem to require each new house to be occupied by an average of about 6 people. That is not very likely.
- 2.11 Further, the Strategy does not set out any plausible basis for securing significant numbers of affordable housing. The Strategy assumes 72% of the total housing target (21 of the 29 dwellings each year) will be affordable homes. However, affordable housing is best delivered on larger, allocated sites where it can be cross subsidized by market housing. Unfortunately, very little market housing will be delivered on larger sites outside of Helmsley. That implies a very low level of affordable housing, which is evidenced by recent performance based largely on delivery from windfall sites (between 2008 and 2017 only 5 affordable homes have been delivered off the back of S106s). Past performance also indicates the rural exception policy will not deliver the level of affordable housing that is needed (between 2008-17, 119 rural exception units were delivered, which was around 34% of total completions).
- 2.12 The Strategy also fails to properly consider the housing needs necessary to support the Park's economy and local services. The Strategy is based on the level of job growth that might be supported by the demographic projections, rather than an analysis of the existing and future employment needs of the Park's businesses and the level of housing needed to support it. The SHMA suggests that the Strategy would see a modest increase in the economically active population. However, the activity rate that is implied amongst older population cohorts is not justified by robust evidence of a particular propensity for the Park's residents to continue to work beyond the normal retirement age. Further, because many of the in-migrants forming new households will be wealthier, older people, that is likely to exacerbate the shortfall of people of working age unless the requirement is increased to accommodate increased provision of affordable housing for younger people. Such a strategy does not help to encourage young people into the Park. The Strategy should include a consideration of the Park's job/employment needs over the Plan period and ensure that sufficient housing is available for people of working age to fill the jobs that will become available over the plan period, rather than rely on unrealistic activity rates amongst older workers to balance the number of workers with the number of jobs that fall to be filled.
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- 2.13 The question that arises is how should the Plan be modified to address these issues and make it sound. In my opinion the answer is that if the 2014 population levels are to be maintained, and assuming an average household size of 2.1 people, 1,571 new dwellings will be needed to accommodate the level of immigration that is required to offset the natural decrease in population of 3,300 that would otherwise occur (identified in the zero net migration scenario). This produces a requirement of 83 dpa compared with the 29dpa that is proposed. Tellingly, if 25% of this requirement is delivered as affordable housing it would yield the 21 affordable homes that the Authority believes must be provided to meet affordable housing need.
- 2.14 To conclude, identifying an appropriate housing target and managing housing supply is an important tool in helping to solve the Park's declining and aging population problem and it should not be underplayed. Whilst it is acknowledged that the NPPF requires the Plan to give great weight to conserving and enhancing the Park's landscape and scenic beauty (NPPF paragraphs 11 and 172), it should not be used as a reason to absolve the Authority and the Plan from its responsibilities of identifying sufficient housing numbers and sites in villages across the Park to address population decline and meet housing needs close to where they are generated.
- 2.15 The Plan cannot be effective until it includes a Strategy which ensures sufficient housing to address population decline and provides certainty of where the housing need can be met. It needs a deliberate, proactive, planned approach to delivering the right type of housing in the right place at the right time.
- 2.16 Consequently, an effective housing strategy must identify an appropriate housing target (of 83 houses per annum with 25% being affordable), and be underpinned by modest, carefully selected, environmentally acceptable allocations for housing in the larger and smaller villages across the Park.

### Strategic Policy M

**Matter 2, Issue 2.2 - Is the housing requirement figure, including the figure for affordable housing, based on robust and up-to-date evidence? Is the approach taken to establishing a requirement figure reasonable having regard to national planning policy and guidance?**

- 2.17 See response to Matter 2 Issue 2.1

**Matter 2, Issue 2.3 - Is the strong reliance upon continued delivery from windfall sites and affordable housing schemes reasonable and soundly based, having particular regard to the apparent lack of appropriate development sites identified during the plan's production**

- 2.18 The reliance on windfall/conversions and exceptions sites to meet housing need is not soundly based. The strategy makes delivery uncertain. The Plan over relies on windfall/conversions/ rural exceptions sites to meet need and over relies on Helmsley being the main place where housing needs will be met, no matter where the needs are generated and who else in Helmsley might be occupying the new properties there. It also fails because it does not properly explain how the levels of affordable housing schemes (21 units per year or 72% of the total housing requirement) will be achieved (i.e. where is it going to be provided, who by and when).
- 2.19 The housing supply strategy (like the preceding Core Strategy), is mostly left to chance, with 40%-60% of the housing supply (222-331 dwellings depending on whether 'developable sites' are taken into account) expected to come forward as windfall/conversion and rural exception development. The risks of such a strategy failing are exacerbated by the Plan's restrictive approach to controlling windfall/conversions and the application of occupancy conditions that could render many schemes unviable (see response to Matter 2 issue 2.18).
- 2.20 Under the Previous Core Strategy, 366 new homes were built between 2008 and 2018. Only 15.6% of these completions were in Helmsley, despite it being a focus for growth. 13.4% of completions were in service villages; 10.7% in Local Service villages 42.9% in other villages and 17.4% in the Open Countryside. Whilst the figures may suggest more housing completions in the Park than anticipated, it would also indicate that the spatial Strategy did not work as expected, which would suggest that more certainty is needed in the Plan if the Strategy is to be properly managed.
- 2.21 Furthermore, the Authority's evidence (Housing Topic Paper) acknowledges that based on the application of the emerging Plan's Policies further windfall opportunities in villages were limited. Accepting that whilst not a full survey, it noted that many potential opportunities had already come forward. Also, that out of a total of 87 potential sites submitted under the call for sites, the assessments showed that the majority (if not all) were considered unsustainable.
- 2.22 This suggest that the high rates of windfall sustained in the past 10-15 years, may not be reflective of what may happen in the future as many of the more straightforward opportunities have now been realised; and/or the emerging policies are too restrictive; and/or owners of land that could meet the policy requirements have no current intentions in bringing sites forward.
- 2.23 The change in approach to how windfall opportunities will be assessed i.e. on the basis that they are 'small scale' (up to 2 in Small Villages and up to 5 in Larger Villages) rather than 'infill' is unlikely to suddenly result in large amounts of opportunities coming forward, especially given the Plan's other restrictive policies.



2.24 The Plan will result in a lack of sites and a lack of choice of sites. There is therefore a need for the Plan to be more explicit about how it will meet housing needs in other areas away from Helmsley, rather than rely on windfalls/conversions/rural exceptions housing, the delivery of which is by no means certain. It should allocate housing in villages across the Park; and adopt a more flexible approach to the application of occupancy conditions.

**Matter 2, Issue 2.4 - Is the plan effective in setting out what is meant by paragraph 3 of the policy and what is expected of development proposals in this regard?**

2.25 No comment.

**Matter 2, Issue 2.5 - To be effective, and to allow for robust monitoring and for compliance with national planning policy, should the plan contain a housing trajectory and indicators of action to be taken if housing deliver is not being achieved?**

2.26 Yes, especially if the Plan is not changed to include allocations.

### Housing Policies Diagram

**Matter 2, Issue 2.6 - Is the content of the text boxes effective in setting out what is specified by the plan policies (as opposed to what is mentioned in the supporting text and which is not policy)?**

2.27 No comment.

### Policy CO6

**Matter 2, Issue 2.7 - 2.12**

2.28 No comment.

### Policy CO7

**Matter 2, Issue 2.13 - Is it effective to locate in the supporting text (paragraph 7.47) what appears to be worded as policy, in relation to the number of dwellings permitted on windfall sites?**

2.29 The Plan should not have limits on the number of dwellings permissible on windfall sites. The Plan contains other policies which will adequately protect the character and appearance of villages and neighbour amenity (Including Strategic Policies A, B, C, G and I).

**Matter 2, Issue 2.14 - Is this supporting text's aim to restrict windfall sites to no more than five dwellings justified and positively prepared? What is the rationale for this number?**

- 2.30 Five units is an arbitrary number and unjustified and restricts opportunities for the development of suitable larger schemes, such as redundant farms in the middle of villages. There is no evidence to suggest that all schemes of more than 5 dwellings will have an adverse impact of the character and appearance of a place; or that it would result in unsustainable development. To require, all potential schemes of 6 or more units outside of Helmsley to only come forward as a rural exceptions site is overly restrictive. There are no guarantees that an affordable housing provider will take on such sites; or that it would be viable to develop as 100% affordable housing. The result could be that otherwise suitable development sites will be left derelict (See Appendix 1). If there is a concern over the scale of proposals, the Plan contains other policies that allow for a scheme's impacts to be considered; and protect areas from development if unsuitable due to scale (Strategic Policies A, B C G and I).
- 2.31 Additionally, the explanation of development in Larger and Smaller Village (Local Plan paras. 3.12-3.13) suggests that the Plan allows for small scale development in or adjacent to settlements. However, Local Plan Policies CO7 and CO8 allows only housing on 'small scale' infill sites WITHIN the main built up area of villages, not ADJACENT to them. The only housing allowed adjacent to development is considered an exception to Policy, Rural Exception Housing governed by Local Plan Policy CO11.
- 2.32 Small scale development should be permitted adjacent to appropriate villages and not automatically ruled out by the Policy, as they could provide a source of windfall development in sustainable locations to help meet local need and underpin and support local services and facilities. The Plan has sufficient policies to manage such proposals in terms of impact on character and appearance and neighbour amenity, without being automatically ruled out by the Policy (including Strategic Policies A, B, C, G and I).

**Policy CO8**

**Matter 2, Issue 2.15 - Is it effective to locate in the supporting text (paragraph 7.48) what appears to be worded as policy, in relation to the number of dwellings permitted on windfall sites?**

- 2.33 (see above).

**Matter 2, Issue 2.16 - Is this supporting text's aim to restrict windfall sites to no more than two dwellings justified and positively prepared? What is the rationale for this number?**

- 2.34 (see above).

**Matter 2, Issue 2.17 - Is the policy's approach to affordable housing provision justified and effective?**

- 2.35 No comment.

**Matter 2, Issue 2.18 - Is the policy's approach to the type of housing that may be permitted in Smaller Villages justified and positively prepared?**

- 2.36 The requirement to only allow Local Needs/Affordable Housing (and exclude market and Principal Residence housing) in the Smaller Villages, whether new builds or conversions is too restrictive. The Plan needs to provide choice. Not everyone who needs to be resident in the Park will want to, or qualify for Local Needs/Affordable Housing. It also seems odd to push those in the most need of housing to the smaller villages with access to fewer facilities and less opportunities for public transport.
- 2.37 The imposition of occupancy conditions impacts on viability, particularly the conversion of traditional rural buildings. A local needs/occupancy condition can suppress value by up to 30%, which would render many conversions commercially unviable. Site specific evidence of the impact of an occupancy condition on the value of typical real life schemes can be supplied to the Inspector, but due to the commercial sensitivity of the information (costs/residual values etc.), the detailed information is not included in this statement.
- 2.38 The additional value that can be derived from open (unrestricted tenure) market and Principal Residence housing would help to ensure that small scale projects for conversions and/or infill developments are viable and would help to support and sustain rural communities. A 'stepped/cascade' approach could be acceptable, that only allowed open (unrestricted tenure) market housing and 'Principal Residence' tenure where it can be demonstrated that schemes, particularly conversions would be otherwise unviable.
- 2.39 The Policy should allow suitable small market/Principal Residence schemes (including conversions) within and adjacent to the main built up area of villages, in order to help deliver the housing target specified in Strategic Policy M.

**Policy CO9**

**Matter 2, Issue 2.19**

- 2.40 No comment.

**Policy CO10**

**Matter 2, Issue 2.20 - Does the list of criteria require an "and" after criterion c) to be effective?**

- 2.41 Adding "and" to the policy will not make it effective. It should allow for other tenures rather than just essential workers dwellings. This would make it consistent with Policy CO12, which appears to allow for new permanent residential accommodation subject to a 'local connection' condition as a suitable new use in a rural building (which presumably means conversions), unless the occupancy condition in Policy CO10 is not expected to apply to criteria 3 of Policy CO10 in any case.
- 2.42 The Policy requirement for schemes to be converted in accordance with all of the Policy CO12's criteria is onerous given its overly restrictive nature. The approach renders the conversion of rural buildings in small villages, hamlets and farmsteads in the Open Countryside very difficult.

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## Policy CO11

### **Matter 2, Issue 2.21 - Is it clear what “adjacent” to the main built up area means?**

- 2.43 ‘Adjacent’ is taken to mean at the edge of/in proximity to the built up area. If it is intended to be something different then it should be explained.

### **Matter 2, Issue 2.22 - Are criteria 2 and 3 effective and justified, given that affordable housing is already permitted within Larger Villages and Smaller Villages (under policies CO7 and CO8 respectively) and, as such, would not be an exception to the hierarchy policies?**

- 2.44 It is illogical to allow ‘exception schemes’ within and adjacent to a Smaller Village, but only within and not adjacent to a Larger Village. The Policy should allow for exception schemes adjacent to Larger Villages.

### **Matter 2, Issue 2.23 - Are criteria b) and c) justified given that they are matters covered by other plan policies?**

- 2.45 This Policy like a number of others, purports to permit development but includes criteria which effectively rule out most proposals, particularly when applied in conjunction with other policies. The criteria can be removed as there are sufficient other policies to manage development (Strategic Policies A, B, C, G and I) .

### **Matter 2, Issue 2.24 - Does the second set of criteria require an “and” after criterion d) to be effective?**

- 2.46 No comment.

## Policy CO12

### **Matter 2, Issue 2.25 - Should criterion 1 refer to historic “interest” to ensure internal consistency and to reflect the terminology of national planning policy and guidance?**

- 2.47 No comment.

### **Matter 2, Issue 2.26 - Does the policy require an “and” after criterion 7) to be effective?**

- 2.48 If the Plan is to rely on windfall development/conversions to meet housing needs then it needs to be more supportive of potential opportunities and acknowledge occupancy conditions may need flexibility in their application.
- 2.49 In many cases a residential use for a traditional rural building is the only financially viable option available for conversion. Restricting residential conversions to Local Needs only has the effect of suppressing values to the extent that it is not viable to fund a conversion. The result being that traditional rural buildings will eventually fall into disrepair to the extent that they will not be capable of use or conversion and will be left to decay and fall into dereliction (see Appendix 2).
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2.50 It is not sustainable to restrict the potential conversions of what would otherwise be convertible buildings (i.e. buildings that are no longer fit for purpose for their original use, but still capable of conversion/use without substantial rebuilding) by only allowing tenures that suppress values to the extent they are not viable to convert, and to effectively force such buildings to gradually fall into disrepair and become abandoned (see Appendix 3).

**Matter 2, Issue 2.27 - Is there a sound justification for the exclusion of community facilities from the final list of criteria?**

2.51 No comment.

**Matter 2, Issue 2.28 - Is it sufficiently clear from criterion 6 whether all of the factors mentioned bear upon character and appearance / landscape, or whether only parking areas are relevant in this regard?**

2.52 No comment.

**Matter 2, Issue 2.29 - Is criterion 7 justified and positively prepared? What is the rationale for it, given that standalone buildings are often perfectly suitable for conversion?**

2.53 See above.

**Matter 2, Issue 2.30 - Is criterion b justified and positively prepared? What is the rationale for requiring that there is an existing residential use?**

2.54 See above.

**Policy CO13**

**Matter 2, Issue 2.31 - Is this policy justified and effective given that it refers to a planning condition, the scope or aims of which could change, perhaps substantially, over the life of the plan?**

2.55 The policy is not fit for purpose and would negatively impact on the viability of development schemes, taking into account other Policies in the Plan. Its affect is to depress values by up to 30% and to the extent that it would not be viable to develop certain schemes, particularly conversions in smaller villages/hamlets/farm steadings in the Open Countryside, as the value of a property with an occupancy condition often makes a conversion economically unviable, particularly traditional buildings which are inherently more expensive to convert. An example of a site specific viability appraisal can be supplied to the Inspector, but due to the commercially sensitive nature of the information it is not included in this statement.

**Matter 2, Issue 2.32 - Is the policy positively prepared having particular regard to the three year time requirement and potential public sector equality implications? What impacts could it have, for example, upon those in need of care, or in need of becoming carers, within three years of moving into the National Park?**

2.56 No comment.

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**Policy CO14- Policy CO20**

**Matter 2, Issue 2.33 – Matter 2 Issue 2.48**

2.57 No comments.

### 3 Conclusions

- 3.1 The Plan's approach to meeting the Park's housing need is not fit for purpose. It does not provide for enough housing to meet the challenges that the Plan is supposed to tackle. It over relies on windfall/conversions/rural exceptions to meet housing needs and at the same time places so many Policy restrictions on potential windfall/conversion schemes that most will be rendered unsupportable by Policy and/or undeliverable in terms of viability. It also over relies on Helmsley as the location for meeting most of the Park's need. The Plan will not ensure sufficient housing of the right type in the right place is provided at the right time to meet housing needs. The plan should: allocate housing sites in Larger Village; relax occupancy conditions where viability is an issue; and be more supportive of housing delivery and conversions of all tenures throughout the Park.

# Appendix 1

**Example of a derelict farm in the centre of a Village, that due to its size cannot be supported by the Plan and will potentially be left derelict unless it is considered as a suitable rural exception scheme**





# Appendix 2

Examples of a barn that would be convertible if a less restrictive approach to occupancy conditions was applied



**Raw Pastures Barns, Goldsborough**



**Raw Pasture Barns, Goldsborough**



**Raw Pastures Barns, Goldsborough**



**Raw Pastures Barns, Goldsborough**





**Mulgrave Farm Barns, Ugthorpe**



**Mulgrave Farm Barns , Ugthorpe**



**Low Farm Barns, Dunsley**



**Rock Head Barns, Hutton Mulgrave**

# Appendix 3

Examples of a barn that have or soon will be beyond repair/conversion





**Dun Bogs Barns, Hutton Mulgrave**



**Dun Bogs Barns, Hutton Mulgrave**



**Dun Bogs Barns, Hutton Mulgrave**



**Dun Bogs Barns, Hutton Mulgrave**