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Conference or Workshop Item

Title: Tensions and prospects for sustainable housing growth: ESRC interim findings

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http://nectar.northampton.ac.uk/4775/
Tensions & Prospects for Sustainable Housing Growth

ESRC Interim Findings

October 18th 2012
What this report covers:

- Interim perspectives on ‘growth’
- Interim perspectives on ‘sustainable development’
- Themes and questions
Interim perspectives on ‘growth’

- SCP primary objective to raise housing delivery and quality
- Government makes ambitious “step change” assumptions
- MKSM to deliver sub-regional context
- Local authorities to deliver Core Strategies
- Private sector to deliver housing in the Growth Areas
- LDVs to facilitate local initiatives
Response of stakeholders to growth plans

- Government became increasingly anxious about delivery and amended regional focus and strategies.
- MKSM ‘identity’ adopted at PR level, but biggest influences occurred at very local levels, not sub-regional scale.
- Major towns had ambitions for growth & regeneration; more criticism of target impacts from urban edges and rural settings.
- MKSM not a major event for house-builders: plans were a spur to more land assembly and submission of further schemes.
- No clear evidence that lack of land or consents held up growth.
- MK partnerships already embedded; NNDC supported and enabled first JPU; Friction over WNDC role and interventions.
Figure 1: Milton Keynes & South Midlands Sub-Regional Strategy Spatial Diagram
Housing trajectory for Milton Keynes Borough - AMR 2004/05

Figure 23b – Housing Trajectories

Legend:
- Past Completions
- Projected Completions * 6
- PLAN - Strategic Allocation (annualised) *7
- MONITOR - No. dwellings above or below cumulative allocation
- MANAGE - Annual requirement taking account of past/projected completions
Figure 1 - Revised Housing Trajectory as published in the AMR 2010/11
16. Figure 1 below shows that although this emerging aspirational Target is below the 55,800 implied by rolling forward previous Regional Plan targets, it still very ambitious having regard to forecast housing market recovery. The latter is based on Oxford Economics’ assumption of 10% year on year recovery to 2014 and 3% thereafter to 2020, from which point a plateau is assumed in line with NHAPAU forecasts (see Annex 3 for further detail).
Figure 4: Housing Trajectory

- Total Past Compleions
- Total Projected Compleions
- PLAN - Strategic Allocation
- MONITOR - No dwellings above or below cumulative allocation

Northampton housing trajectory AMR Report 04-05
Table 4: Housing Requirement by Area 2010-2026 (Note: Figures may not sum due to rounding. Source: ORS Housing Market Model)

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Daventry</th>
<th>Northampton Related Development Area</th>
<th>South Northants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market housing</td>
<td>3800</td>
<td>15700</td>
<td>3600</td>
</tr>
<tr>
<td>Intermediate affordable housing</td>
<td>0</td>
<td>0</td>
<td>1300</td>
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<tr>
<td>Social rented housing</td>
<td>1700</td>
<td>7500</td>
<td>900</td>
</tr>
<tr>
<td><strong>Total Housing Requirement</strong></td>
<td><strong>5400</strong></td>
<td><strong>23200</strong></td>
<td><strong>5800</strong></td>
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<tr>
<td>Market housing</td>
<td>69.2%</td>
<td>67.6%</td>
<td>61.9%</td>
</tr>
<tr>
<td>Intermediate affordable housing</td>
<td>0.0%</td>
<td>0.0%</td>
<td>21.8%</td>
</tr>
<tr>
<td>Social rented housing</td>
<td>30.8%</td>
<td>32.4%</td>
<td>16.2%</td>
</tr>
</tbody>
</table>
Comments on ‘growth’

- Pre-2008 slippage seen as unrealistic trajectories, slow pace of infrastructure, slow delivery of large sites (SUEs)
- Post-2008 slippage seen as impact on build rates from recession lowering demand and availability of finances
- Inflexible policies are blamed for leaving consents undeliverable through lack of ‘viability’
- LDVs & public sector effectiveness to help infrastructure-led development has been mixed – some HCA funds but limited
- Private sector capacity and willingness to deliver comprehensive development never assessed strategically
- Core Strategies have been revised downwards by up to 25%
Interim perspectives on ‘sustainable development’

- Strong policy and appraisal direction from EC Directives and 2004 Planning Act
- Adopted by local authorities and government to make growth more “palatable” and to improve practical qualities
- Spirit of optimism embodied in Egan Wheel principles for construction and development industries
- House-builders luke-warm to sceptical, seeing ‘sustainability’ measures as good PR but potential extra cost
- Community groups saw SD as opportunities to deliver more community facilities and local services
Response of stakeholders to ‘sustainable development’

- Under pressure to deliver, a general sense that central Government gave *quantity* more importance than *quality*
- Large SD frameworks, but little sense of any priorities within these, if delivery might not achieve all within local schemes
- MK ‘Tariff’ the only strategic approach in place (yet does not cover all costs) – is development of a higher quality there?
- Substantial ‘SD monitoring’ undertaken by LAs, but difficult to see a purpose without a role to challenge poor performance
Comment on ‘sustainable development’

- Increasing reliance on s106 resources has been precarious and could never fund total of SD targets
- Role of ‘affordable housing’ very ambiguous in scheme economics and to perspectives on ‘mixed communities’
- Reduction of delivery from holistic approach to focus on environmental (green) and physical (construction) issues
- Delivery of wider social (community facilities) or economic aspects (job supply, etc) has met with limited success
- Has the notion of ‘sustainability’ become subservient to ‘economic viability’ that they are now used synonymously?
Themes and Questions

- Was Growth “imposed” as claimed, or was it an expression of local ambitions and aspirations? And/or was it an expression of what the housing market wanted with plans like MKSM giving shape to developer demands?

- What did the MKSM approach achieve? Did it stimulate more housing growth (was there a step change.....?) And what would have happened without it?

- Were growth figures over-ambitious? Were they evidence based on the assumption of continued growth of London and the South East, or “politically driven”?
Despite the outpouring of reports and policies on sustainability, was the approach largely superficial or naive? Was the pre-eminence of housing numbers rather than quality always going to rise to the top of the Government agenda?

How might the sustainability/quality agenda be achieved if sufficient funding is not forthcoming from the transactions of landowners and developers? Can the gap between best practice and what is ‘normal’ housing development be bridged?

Is there a reduction in democratic accountability in the development process as the presentation of ‘viability’ becomes ever more important than policy? Is there an unavoidable loss of central and local policy ambition control housing growth and quality in a market economy that is undergoing times of stress?
Comments from Charles A:

Firstly NNDC does still exist it did not voluntarily wind up but is still there in a much reduced form.

Secondly on the report can it draw any more conclusions- it seems quite tame in its observations? That might be deliberate so as to not upset anyone but could it be harder hitting?

It only looks back and does not suggest what we might need to do in the future – does it need to refer to LEP’s in anyway? New Homes bonus role? Could it be clearer on what the growth that has taken place looks and feels like? Is it good growth or not?

The what is sustainability point is interesting – can it be fleshed out at all – again if we cannot do it in CSH level 6 and we are doing bite sized chunks what should be preserved/ how important is good design- design codification? Sense of place – impact of GAF spend say on Corby town centre, Kettering Market Place – these interventions have really altered local perceptions? Is that an element of sustainability.