

DERRY CITY AND STRABANE DISTRICT COUNCIL

LOCAL DEVELOPMENT PLAN (LDP) 2032



EVIDENCE BASE EVB 5

HOUSING Updated May 2017

This Document is one in a series, which builds up to form the 'evidence base' that informs the preparation of the Local Development Plan (LDP).

It comprises initial Workshop Paper(s) on this Planning topic that were presented to Council Members during 2016 / 2017, which have been subject to Member discussion and input, before further discussion at the Planning Committee (LDP) and in turn feeding into the LDP Preferred Options Paper (POP) and then the Plan Strategy (PS) and eventually the Local Policies Plan (LPP) which together form the LDP.

Therefore, the afore-mentioned evidence base will be continually updated, to additionally include the latest information, input from public engagement, statutory consultees, stakeholder groups, Sustainability Appraisal and from other Departments within the Council, including Community Planning.

The Evidence Base is published as a 'supporting document' in accordance with Article 10(a) and 15(a) of the Planning (LDP) Regulations (NI) 2015



CONTENTS

1. Introduction to Paper
2. Legislation and Policy for Housing in the LDP
3. Quantum of Housing
4. Type and Tenure of Housing
5. The Settlement Hierarchy
6. Housing Policy
7. Strategic Allocation of Housing – Scenarios
8. Conclusions / Feedback

Paper 1: Housing in Settlement Hierarchy

Purpose of Paper: The purpose of this paper is to provide Council Members with a baseline housing review of the current land supply across the District, as well as identifying the housing land needs of the District to 2032. The paper also examines and develops possible scenarios on how the number, location and type of housing could be accommodated across the District's settlement hierarchy, which also includes rural housing.

Content: The paper provides information on:-

- (i) The relevant legislation and regional policy for housing in the LDP.
- (ii) The quantum of housing – Housing Growth Indicators (HGIs) and number of dwellings built in Derry and Strabane since 2008.
- (iii) The type and tenure of housing in the District.
- (iv) Allocation across the Settlement Hierarchy.
- (v) Housing Policy
- (vi) Strategic Housing Scenarios.

Conclusion: Councillors should note the contents of this paper which will assist the Council in developing an informed and innovative approach to setting clearly defined aims and objectives for its new LDP.

1.0 Introduction to Paper

1.1 The housing information presented in this paper will assist the Council in developing an informed and innovative approach to setting clearly defined aims and objectives for its new LDP. This will enable Members to begin to:

1. Have an understanding of the current housing situation across the District, in terms of commitments and future requirements as set out in the RDS;
2. Consider a preferred approach to the strategic housing allocation across the settlement hierarchy tiers in order to achieve the orderly and sustainable development of housing across Derry City and Strabane District and in line with current regional policy.
3. Consider the appropriate rural / urban balance to be struck in terms of housing allocation to 2032;

1.2 However, it should be emphasised that this paper is for preparatory discussion only at this stage, aiming to provide a foundation for the Preferred Options Stage of the LDP. Council's future decision-making will need to be informed by more refined housing figures, a more detailed evaluation of the settlements, a Sustainability Assessment, stakeholder input and public consultation.

2.0 Legislation and Policy for Housing in the LDP

2.1 In preparing the new LDP, the Council will have regard to several existing plans and documents that set out the main legal and policy context and considerations of what the LDP is required to do and can include, in relation to the quantity, location and type of Housing, as well as policies to deliver it.

2.2 **The Regional Development Strategy 2035 (RDS, launched 2012)** is the spatial strategy of the NI Executive, expected to deliver the spatial aspects of the Programme for Government. It emphasises the significant role that Derry has to play as the principal city of an expanding North West region and the importance of Strabane town as Derry's clustered Main Hub. In preparing the Local Development Plan, the Council must 'take account' of the RDS.

2.3 The RDS presents Regional Guidance (RG) under 3 sustainable development themes – economy, society and environment. In particular is RG8 – Manage Housing Growth to achieve sustainable patterns of residential development. Also very relevant is the guidance on "achieving balanced communities and strengthening community cohesion" that requires the availability of good quality housing offering a variety of house types, sizes and tenures to suit varying social needs.

2.4 The RDS has also produced Housing Growth Indicators (HGIs) as a guide for those preparing development plans.

2.5 The RDS promotes more sustainable housing development within existing urban areas, including a regional target of 60% of new housing to be located in appropriate 'brownfield' sites within urban footprints of settlements greater than 5,000 population i.e. Derry and Strabane. Ensuring an adequate and available supply of quality housing to meet the needs of everyone and the use of a broad evaluation framework to assist judgements on the allocation of housing growth to settlements has also been stated.

2.6 **The Strategic Planning Policy Statement for Northern Ireland (SPPS)** was published in September 2015. It set out the Department of the Environment's (now Dept for Infrastructure, DfI) regional planning policies for securing the orderly and consistent development of land under a reformed two-tier local planning system. It is a very important document, with key guidance / requirements for the Council in preparing its LDP in relation to Housing and urban / rural development.

2.7 Housing is recognised as a key driver of physical, economic and social change in both urban and rural areas. In furthering sustainable development it is important to manage housing growth in a sustainable way, placing particular emphasis on the importance of the inter-relationship between the location of local housing, jobs, facilities and services and infrastructure. It is similarly important to successfully integrate transport and land use generally in order to improve connectivity and promote more sustainable patterns of transport and travel.

2.8 Good quality housing is a fundamental human need that plays a significant role in shaping our lives and our communities. A home is a vital part of people's lives and contributes to creating a safe, healthy and prosperous society. The planning system can play a positive and supporting role in the delivery of homes to meet the full range of housing needs of society, within the wider framework of sustainable development.

2.9 In preparing Local Development Plans (LDPs), the Council shall bring forward a strategy for housing, together with appropriate policies and proposals that must reflect the policy approach of the SPPS, tailored to the specific circumstances of the plan area. Planning authorities must deliver:

2.10 **Increased housing density without town cramming:** higher density housing developments should be promoted in town and city centres and in other locations that benefit from high accessibility to public transport facilities. Within established residential areas it is imperative to ensure that the proposed density of new housing development, together with its form, scale, massing and layout will respect local character and environmental quality as well as safeguarding the amenity of existing residents. In residential areas of distinctive townscape character, an increase in density should only be allowed in exceptional circumstances.

2.11 Sustainable forms of development: the use of greenfield land for housing should be reduced and more urban housing accommodated through the recycling of land and buildings and the encouragement of compact town and village forms. More housing should also be promoted in city and town centres and mixed use development encouraged. Major housing development should be located in sustainable locations that facilitate a high degree of integration with centres of employment, community services and public transport, and take advantage of existing infrastructure. Local facilities, services and adequate infrastructure should be integrated into new housing development to meet the needs of the community.

2.12 Good design: good design should be the aim of all those involved in housing development and will be encouraged everywhere. All new housing developments should demonstrate a high quality of design, layout (including road infrastructure considerations) and landscaping. Good design contributes to the creation of places to live that are safe and attractive and is also a key element in achieving sustainable development. Councils should bring forward local planning policy or guidance for achieving quality in residential development, including proposals for residential extensions or alterations.

2.13 Balanced communities: achieving balanced communities and strengthening community cohesion is one of the major themes underpinning the RDS. The provision of good quality housing offering a variety of house types, sizes and tenures to meet different needs, and development that provides opportunities for the community to share in local employment, shopping, leisure and social facilities, is fundamental to the building of more balanced communities. Additional guidance is contained within Living Places: An Urban Stewardship and Design Guide for Northern Ireland.

2.14 PPS 12: Housing in Settlements is one of the key mechanisms for the implementation of the RDS and is an important material planning consideration for those preparing development plans. The policy guidance in PPS 12 applies to all residential development proposals within cities, towns, villages and small settlements in Northern Ireland. The policy objectives of PPS 12 are:

- To manage housing growth in response to changing housing need;
- To direct and manage future housing growth to achieve more sustainable patterns of residential development;
- To promote a drive to provide more housing within existing urban areas;
- To encourage an increase in the density of urban housing appropriate to the scale and design to the cities and towns of Northern Ireland; and

- To encourage the development of balanced local communities.

2.15 **Planning Policy Statement, PPS 7 ‘Quality Residential Environments’**, sets out the Department’s planning policies for achieving quality design in new residential. The policies apply to all residential development proposals with the exception of proposals for single dwellings in the countryside.

2.16 In addition to regional policy, supplementary planning guidance for residential development is provided by ‘Creating Places - Achieving Quality in Residential Development’ (May, 2000). DCAN 8: Housing in Existing Urban Areas, is also material to the determination of planning applications for small unit housing within existing urban areas. The ‘Living Places: An Urban Stewardship and Design Guide for Northern Ireland’ (September 2014) sets out the key principles behind good place making. It seeks to inform and inspire all those involved in the process of managing and making urban places, with a view to raising standards across Northern Ireland. ‘Building on Tradition: A Sustainable Design Guide for the Northern Ireland Countryside’ (May 2012) provides assistance to all those involved with sustainable development in the Northern Ireland countryside to understand the requirements of PPS21. The guide promotes quality and sustainable building design in Northern Ireland's countryside.

2.17 The existing **Derry Area Plan 2011 (DAP)** was adopted in May 2000, thus pre-dating the RDS and its HGI figures for application across the Plan Area, settlement hierarchy and the countryside. It was estimated that around 10,500 new dwellings would be required in the Derry City Council Area between 1996 and 2011, with 595 hectares being zoned for Housing in Derry City (of which 391 hectares currently remain).

2.18 The DAP Housing policies were aimed at ensuring that an adequate and continuous supply of housing land was identified to facilitate the provision of a range of housing opportunities to meet the needs of the community. (The DAP also designated a Greenbelt to protect the open countryside from urban sprawl and ribbon development. Similarly, Countryside Policy Areas were designated to protect those areas of countryside where any future development could adversely affect the rural character of their landscape. PPS 14 & PPS 21 subsequently superseded the policies for such areas.)

2.19 The **Strabane Area Plan** 1986-2001 zoned 205 hectares of land for housing (of which 111 hectares currently remain) in anticipation of an estimated requirement of 2,270 additional dwellings during the plan period. Additionally, there was a considerable amount of unzoned 'white land' within the towns, villages and hamlets, much of which was also considered suitable for appropriate housing. Beyond the District and Local towns, new house building was also expected to take place not only within the villages and hamlets but also throughout the remainder of the rural area.

2.20 The new duty of **Community Planning** introduced in April 2015 requires the Council to lead the process of creating a long term vision for the social, environmental and economic well-being of the area and its citizens. The Local Government Bill introduced a statutory link between the resultant Community Plan and the Council's Local Development Plan (LDP), in that the LDP must take account of the Community Plan in its preparation. Therefore it provides the key context at the local Council level for the preparation of the LDP.

2.21 It is intended that the LDP will be the spatial reflection of the Community Plan and that the two should work in tandem towards the same vision for the District and its communities and set the long term social, economic and environmental objectives for an area. Due out in late Spring 2017, the Community Plan will set higher level objectives to provide adequate and appropriate housing for its people – which the LDP will then help to deliver, spatially.

2.22 **Facing the Future** published by the Department for Communities in September 2015 is the first Housing Strategy to be developed in Northern Ireland. It is an inclusive vision that seeks to address housing need across all tenures and to play a role in helping support and sustain economic recovery, create employment and regenerate some of the most deprived and neglected communities.

2.23 **'Lifetime Opportunities - the Government's Anti-Poverty and Social Inclusion Strategy for Northern Ireland'** is a key central government plan and strategy which is structured around a number of general challenges which become the priorities for future policy and action. These are as follows:

- Eliminating poverty;
- Eliminating social exclusion;
- Tackling area based deprivation;
- Eliminating poverty from rural areas;
- Shared futures - shared challenges;
- Tackling inequality in the labour market;
- Tackling health inequalities; and
- Tackling cycles of deprivation.

The Strategy recognises different priorities at different stages in people's lives and the need for policies and programmes to be tailored to these specific needs and targeted at those in greatest objective need. One of the main functions of a development plan is to facilitate development and create a land use framework that will allow investment to take place.

3.0 Quantum of Housing

3.1 The Local Development Plan process is the main vehicle for assessing future housing land requirements and managing housing growth to achieve sustainable patterns of residential development, as well as fulfilling other SPPS objectives. The following strategic guidance (from the SPPS) for plan preparation is intended to assist with this process:

3.2 **Processes for Allocating Housing Land.** Housing allocations in Local Development Plans should be informed by:

- RDS Housing Growth Indicators (HGIs). These have been incorporated within the RDS as a guide to the Council in preparing our development plan. They provide an estimate for the new dwellings requirement for each area and provide a guide for allocating housing distribution across the plan area. The indicator covers both urban and rural housing.
- Use of the RDS housing evaluation framework which takes account of the varying capacities of settlements and will assist councils in making judgments on the allocation of housing growth.
- Allowance for existing housing commitments. Councils should take account of dwellings already constructed, approvals not yet commenced and residential development proposals likely to be approved.
- Urban capacity studies. Councils should assess the potential for future housing growth within the urban footprint and the capacity for different types and densities of housing. The urban capacity study should take account of housing development opportunities arising from previously developed land, infill sites, conversion of existing buildings, and possible changes of land use. Consideration needs to be given to the type of housing and density appropriate to each site in order to assess the number of housing units likely to be generated. The urban capacity study should be published as a technical supplement to the draft plan.
- Allowance for Windfall housing. Windfall potential is central to the assessment of future housing land requirement and is a key element of the urban capacity study. Windfall potential arising from previously developed land within the urban footprint

can be a key source of housing supply over the course of the plan period. The methodology used should be robust and care should be taken to avoid under-estimation of windfalls. Windfall should be regularly monitored because of its dynamic and changing nature, with monitoring data factored into the plans housing allocation when the LDP is reviewed.

- Application of a sequential approach and identification of suitable sites for settlements of over 5,000 population. There may be circumstances where it is appropriate to apply the sequential approach below this threshold.
- Housing Needs Assessment / Housing Market Analysis (HNA/HMA – provides an evidence base that must be taken into consideration in the allocation, through the development plan, of land required to facilitate the right mix of housing tenures including open market and special housing needs such as affordable housing, social housing, supported housing and travellers accommodation. The HNA will influence how LDPs facilitate a reasonable mix and balance of housing tenures and types. The Northern Ireland Housing Executive, or the relevant housing authority, will carry out the HNA/HMA.
- Transport Assessments – where appropriate transport assessments should be carried out when considering certain sites for residential use to achieve increased integration with public transport and other alternatives to the private car.

3.3 Population. In 2011, the populations of Derry and Strabane Districts were 108,261 and 39,930 respectively (148,191 in total). This represented, together, a 3.1% growth in the population over 10 years, below the Northern Ireland average of 7.5%. On average over a 40 year period (1971-2011), both Districts have experienced population growth at a higher rate than the regional average. Based on 2014 population projections produced by NISRA, the population could increase from 149,416 in 2015 to around 151,000 by 2032.

The key findings for 2014-2024, with implications for housing, are that:

- the population of Derry and Strabane is expected to grow by 1.5%;
- the number of children is expected to remain unchanged at 32,800 over the same period; and
- the % of working age population is expected to decrease by 3.5% in Derry and Strabane compared to a 27.2% increase in pensioners.

3.4 The **household projections** for 2012-2037 which take account of population growth, a reduced size of household and the changing age structure of the population, could lead to an increase of 8% in the number of households between 2012 and 2037. Across the Derry City and Strabane District:

- some 2,500 additional households are projected between 2012 and 2022, rising to 4,400 between 2012 and 2037.
- The average household size in NI has been projected to steadily decrease to 2.40 people per household in 2037. In Derry and Strabane District the average size of households is predicted to remain above the NI average up to 2030 (2.43 NI)

3.5 Current levels of House Building and Housing Land Availability across Derry – Strabane (from 2013 Housing Monitor). Between 1999 and 2013, approximately 79% of all the houses built across the former Derry District were developed in Derry City where 595 hectares of land has been zoned for housing in the Derry Area Plan 2011, with an estimated 391 hectares remaining undeveloped. Within the villages, the greatest growth was in Culmore and Eglinton with disproportionate growth across some of the smaller settlements.

Derry District – Housing Completions and Remaining Potential

	Units completed 1999 - 2013	% of all Derry District Urban completions 1999 -2013	Remaining Potential Units	% of all Derry District Remaining Potential
Derry City	10,805	79.46%	10,129	91.55%
Villages	2,441	17.95%	866	7.84%
Small Settlements	353	2.59%	70	.61%
Total Urban	13,599	100%	11,065	100%
Countryside	507 (est.)	3.7%		

Table 3: Strabane District – Housing Completions and Remaining Potential

	Units completed 1999 - 2013	% of all Strabane District Urban completions 1999 -2013	Remaining Potential Units	% of all Strabane District Remaining Potential
Strabane District Town	1,982	49.40%	652	16.83%
Local Towns	857	21.36%	1,255	32.38%
Villages	1,008	25.13%	1,573	40.58%
Hamlets	164	4.11%	396	10.21%
Total Urban	4,011	100%	3,876	100%
Countryside	1,552 (est)	38.7%		

3.6 Approx. 49% of the **houses built in the settlements in the Strabane District** were built in Strabane Town. 16.8% of Strabane District’s remaining potential is in Strabane. Of the local towns, most growth has occurred in Castlederg, followed by Sion Mills and then Newtownstewart, while high remaining potential exists in Castlederg and Newtownstewart. Within the villages, notable growth has occurred in Artigarvan and Erganagh, while significant potential remains in Victoria Bridge and Ballymagorry. Significant growth has taken place in the hamlets of Bready, Glenmornan and Donagheady. The level of development in Bready and Glenmornan exceeds the development in the other 9 hamlets, whilst the hamlets with the highest remaining potential are Bready and Cranagh. See Table 3 above.

3.7 In terms of **rural dwelling** applications, from 2007 - 2014, Derry district has been averaging 54 applications each year (includes new dwellings and replacements). With an average approval rate of 96%, this equates to an average of 52 approvals per year. Over this time period, applications have ranged from highs of 109 in 2007/8 to the current position of 18 in 2013/14. Strabane district’s rural applications have decreased from 193 in 2007/8 to a current level of 29 in 2013/14 – an average of 112 per year. With a similar approval rate of 96%, this equates to an average of 107 approvals per year in Strabane District, the same as Derry.

3.8 **Housing Growth Indicators (HGIs)** provide an estimate of future housing need in Northern Ireland. The figures use household projections produced by NISRA as their basis. The figures are therefore based on current population / household formation trends making the assumption that these trends will continue into the future. In addition to the household projections, the HGIs also use data on vacant housing stock, second homes and net conversions/closures/demolitions (net stock loss) to produce the final figure.

3.9 The first HGIs were produced in January 2005 to cover the time period 1998-2015. They were then revised in March 2012 for the time period 2008-2025, in line with the 2008 data and the Regional Development Strategy 2035. The latest HGIs from the Department for Regional Development (DRD) were released in spring 2016 and use 2012-based household projections and will cover the time period 2012-2025. The HGIs have been calculated for Northern Ireland and also for each of the new 11 Local Government Districts (LGDs). DRD have clarified that the HGIs should be seen as guidance rather than a target or a cap on housing development. Nevertheless, the Council’s LDP will need to demonstrate the ‘soundness’ of its housing allocations. Therefore, whilst there will be scope for ‘over-provision’ beyond the allocated HGI figure as supplied by DRD, the Council (Members, Planning officials, statistician, Community Plan team, etc) will need to clearly articulate at the Independent Examination the evidence-base, sound planning principles and sustainability reasoning to justify such proposed provision beyond the DRD figures.

3.10 The HGIs are mainly a statistically based projection of the number of houses the District will need and therefore they are to be used by the Council's LDP team as a guide to the quantum of houses / housing land it will require through its Local Development Plan (LDP). The table shows that this District is estimated by DRD to need approximately 5,000 new dwellings between 2012-2025. The following table shows how this figure compares to the previous HGI and the figures for the new LDP period, pro rata period 2015-2032 which is 6,545.

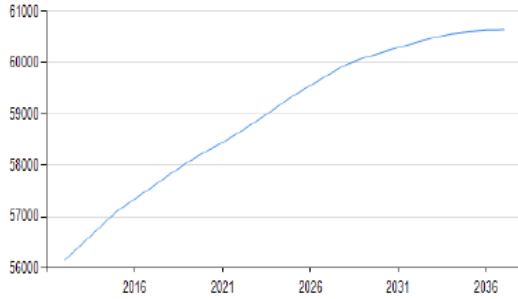
	Derry City and Strabane District Council HGI Figure	Per Annum
Previous HGI 2008-2025	17,600 (13,700 for Derry and 3,900 for Strabane Districts)	1,035
Revised HGI 2012-2025	5,000	385
Pro-rata LDP Period 2015 - 2032	6,545	385

Source: Commissioning Prospectus, Affordable Social and Intermediate Housing. For Social Housing Development Programme Period (2017/18-2019/20)

Derry City and Strabane District Council LDP Workshop 4 – Housing in Settlement Hierarchy

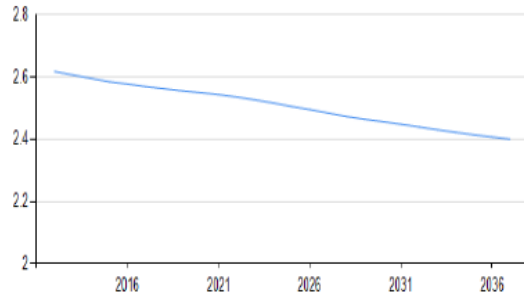
Derry & Strabane

Projected No of Households 2012-2037



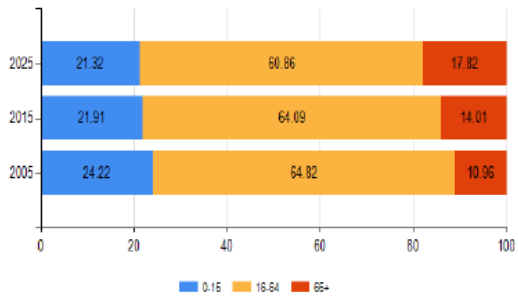
Source: NISRA 2012 based

Projected Average Household Size 2012-2037



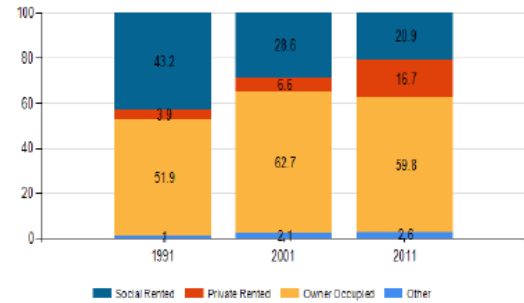
Source: NISRA 2012 based

Demographic Information



Source: NISRA

Tenure



Source: NISRA

Source: Commissioning Prospectus, Affordable Social and Intermediate Housing. For Social Housing Development Programme Period (2017/18-2019/20)

4.0 Type and Tenure of Housing

4.1 The LDP needs to ensure that there is an adequate range of sites at suitable locations to provide a mix of house types and tenures to meet our future population needs.

4.2 Local Housing Market. The Housing Executive have stated that despite a small increase in house prices over the past year a number of imbalances in the housing market remain. The decline in private sector house development, low house prices, a lack of mixed tenure development, an undersupply of private rented accommodation and an increasing number of applicants in housing stress on the social housing waiting list all pose particular challenges. Addressing these issues will require a multi-agency approach, such as the framework provided by the community planning and development plan processes.

4.3 NIHE will provide a regular Housing Needs Assessment (HNA) in relation to identified areas of the housing market to assist with the preparation of the LDP. The RDS commitment to create mixed communities will be best achieved through the preparation of a HNA, the identification of suitable sites in the development plan process to meet that need and managing the release of housing land to ensure sufficient land comes on stream at each stage. The HNA gives advice on the requirement for social housing, affordable housing, student accommodation, supported housing and Travellers' accommodation.

4.4 The NIHE will carry out regular monitoring and review of the data and trends for the various categories within the HNA. At March 2016 there were 7,433 registered private rental tenancies in the council area, according to the Landlord Registration Scheme. This represents an undercount as there are 9,132 private tenants in the council area receiving Private housing benefit. In 2016, there were 461-registered HMO (Houses in Multiple Occupation) in the council area, all in compliance with the HMO regulations.

4.5 Projected new-build social housing need is 2,552 units over the five year period 2016-21. The areas of greatest need are the Westbank of Derry City, Waterside, Strabane Town and Eglinton. Of all applicants in housing stress at March 2016, 60% were made up of singles, elderly and small adult households. Within the 12 months prior to 31st March 2016 there were 182 new social housing units completed in the DCSDC area, 141 of which were in the Westbank. At March 2016 there were 492 social housing units under construction across the DCSDCA 425 of which were in the Westbank.

4.6 **Housing Types** The composition of house types has also changed slightly between 2001 and 2011. Strabane sits significantly higher than the NI average in terms of % of detached properties, while Derry sits significantly lower. This is partly due to the large proportion of housing in the countryside and partly due to the nature of post war,

private sector housing development in settlements. Overall the actual % numbers for detached properties between 2001-11 remain relatively unchanged. By way of contrast the opposite is true for semi detached properties with Derry ahead of the NI average and Strabane slightly below. Between 2011 – 11, both districts experienced slight increases in the proportion of flats and a slight decrease in terrace dwellings.

According to the 2011 Census, the majority of household types were detached dwellings, which accounted for 33% of housing stock across the District, followed by semi-detached at 31% and terraced dwellings at 28%, which is broadly reflective of household types across Northern Ireland.

Households by Type 2011

	Detached	Semi-Detached	Terraced	Flats	Other*	Total
Derry City and Strabane	18,666 (32%)	17,592 (30%)	16,568 (29%)	4,442 (8%)	819	58,087 (100%)
NI	277,132 (37%)	207,904 (28%)	187,678 (25%)	64,518 (9%)	11,003	748,235 (100%)

Source: NISRA, Census 2011

4.7 **Housing Tenure** data from the 2001 and 2011 Census would appear to mirror these House Condition Survey (HCS) findings in that there has been a slight decline in the proportion of owner occupation as well as social housing stock with an increase in private rented accommodation (see Appendix). In terms of tenure, 45.7% of dwellings were owner-occupied which is below the NI average. The percentage of social housing in the Council District is 18.8% which is significantly above the NI average of 16.5%.

Housing Tenure 2011

	Owner/Occupier	Social Housing	Private Rented and Other	Total Households
Derry City and Strabane	27,080(45.7%)	11,160 (18.8%)	14,370 (24.3%)	59240,596 (100%)
NI	469,070 (61.72%)	125, 440 (15%)	110,760 (14.6%)	760,000 (100%)

Source: NISRA, Census 2011

According to the NIHE figures for March 2016, there was 4,247 waiting list applicants with 2,981 deemed to be in housing distress. A large proportion of the social housing list comprises single households and small families. According to the *NIHE Housing Strategy for Local Development Plans 2016*, the social housing requirement from 2015 to 2020 was 1,976. However, the most recent NIHE figures show the ‘need’ figures to have increased, despite the approval and ongoing construction of a considerable number of social dwelling units recently.

4.8 Owner Occupied Sector. The private housing market had been showing some signs of improvement with gradually increasing numbers of transactions. However, this trend plateaued during 2015. House prices have increased marginally in the past year (2014-15) but remain significantly lower than the Northern Ireland average (DCSDCA £90,451, NI £154,685) average house price. Despite the low average house price research from University of Ulster shows that between 2010-14 DCSDCA had the highest percentage of unaffordable properties for sale in Northern Ireland. This is attributed to low income levels. Poor economic performance, continuing high levels of negative equity, low house prices and lending restrictions have resulted in DCSDCA recording extremely low new build starts and completions figures for 2015.

4.9 Private house building sector has been performing at a low and gradually decreasing level since 2012, with just under half of all new build being produced by housing associations for the social housing sector. The very low total of new build units in 2013/14 and 2014/15 is mainly due to the reduction in the numbers of social housing units being built. The failure of the private sector to develop the required level of new houses in DCSDCA has a critical impact on the ability to deliver sustainable mixed tenure, mixed income communities. (Source: Housing Executive)

4.10 Private Rented Sector (PRS). The PRS continues to play a significant role in the local housing market. Local estate agents report that there is continuing strong demand for private rental accommodation across the DCSDCA. The main areas of high demand include the Westbank of Derry/Londonderry, followed by the Waterside, Strabane Town and Eglinton where demand for rented properties outweighs supply.

4.11 In January 2016, DCSDCA in conjunction with the University of Ulster submitted a revised outline business plan to the Department for Employment and Learning and the Executive with proposals to expand student provision at Magee College to 9,400 students by 2025. If approved, this proposal will further stimulate regeneration of the University area. The impact on the local housing market will depend on the level of purpose built units that are planned to facilitate this growth. Should there be a proposal for extensive student housing provision this could have an impact on projected need and waiting lists in adjacent areas, as private rented sector may soak up some of the need for those who could access social housing and would otherwise be in housing stress.

4.12 Affordable Housing. The SPPS states that ‘affordable housing’ relates to social rented housing and intermediate housing. These are defined as follows:

- Social Rented Housing is housing provided at an affordable rent by a Registered Housing Association; that is, one which is registered and regulated by the Department for Social Development as a social housing provider. Social rented accommodation should be available to households in housing need and is offered in accordance with the Common Selection Scheme, administered by the Northern Ireland Housing Executive, which prioritises households who are living in unsuitable or insecure accommodation.
- Intermediate Housing consists of shared ownership housing provided through a Registered Housing Association (e.g. the Co Ownership Housing Association) and helps households who can afford a small mortgage, but that are not able to afford to buy a property outright. The property is split between part ownership by the householder and part social renting from the Registered Housing Association. The proportion of property ownership and renting can vary depending on householder circumstances and preferences. This definition of intermediate housing used for the purpose of this policy may change over time to incorporate other forms of housing tenure below open market rates.

Outside Derry and based on the latest available evidence from the Land Availability Report for the DCSDCA at April 2015, there appears to be sufficient land remaining to ensure a mixed tenure approach to meet affordable housing needs in the remaining settlements. There are a small number of exceptions where remaining developable land are insufficient to cover the affordable housing needs, at Eglinton, Strathfoyle and Nixons Corner. At these locations the Development Plan may need to identify additional housing land.

4.13 Over recent years, lower house prices and therefore lower house price to income ratios have meant that affordability has improved across most housing areas in NI. In relation to Derry and Strabane, while the most recent figures indicate a slightly improving picture in terms of affordability, it is stressed that 68% of homes are still unaffordable for first time buyers who continue to experience difficulties in securing mortgages. Falling household incomes and increasing unemployment directly impacts on the housing market and the ability of first time buyers to get on to the housing ladder. Accordingly the private rented sector remains attractive and may explain the significant increase in flat tenure over the past 10 years in Derry and Strabane.

4.14 **Social Housing Sector** The DCSDCA records the second highest concentration of social housing stock compared to other districts in Northern Ireland. The 2011 census records 21% of all households in DCSDCA reside in the social housing tenure compared with the Northern Ireland average of 15%. The Continuous Tenant Omnibus Survey has identified that Housing Executive tenants are low income earners with the vast majority being benefit dependant. This reflects the higher levels of deprivation in social housing neighbourhoods throughout Northern Ireland. The deprivation for social housing tenants in DCSDCA compared to other social housing neighbourhoods in Northern Ireland is recorded below.

- In DCSDCA only 16.2% (18.2 NI) of tenants were employed, meaning within estates there are high numbers of unemployed, retired and permanently sick and disabled people.
- In Northern Ireland approximately 50% of Housing Executive tenants earned less than £10,401 a year, however in DCSDCA only 17% earned more than this figure.
- Benefit dependency remains high with 87% (79% NI) receiving housing benefit and nearly 40% receiving disability benefit, which is comparable for Northern Ireland.
- Half of Housing Executive tenants throughout Northern Ireland report a health problem or disability compared to nearly 60% for DCSDCA.

4.15 In line with a comparatively poor economic performance and the supply of affordable private renting levelling off, the requirement for new social housing in the DCSDCA has consistently increased since 2010. The average household size in housing executive dwellings is smaller than the average for the whole district and reflects demand for smaller household types such as singles, elderly and small families.

4.16 **Social Housing Need** Social housing need is also met by Housing Associations. The Census 2011 indicates that social housing stock (NIHE and housing associations) accounts for 9,271 dwellings in Derry and 2,338 dwellings in Strabane representing 23%

and 16% respectively of the total housing stock which is considerably higher than the Northern Ireland figure of 14.9%. The total social housing need for DCSDCA for 2015 - 2030 has been assessed at 5,930 units. The most popular areas are the Westbank (4,885 units), Waterside (545 units) and Strabane town (210 units). There is also a need of 90 units in Eglinton, 45 in Strathfoyle and 30 in Claudy. Whilst Housing Executive have provided these social housing figures, these statistics including the overall social housing need figure estimated for the LDP period are currently under review and the Housing Executive officials expect the figures to be significantly reduced.

4.17 Approximately 75% of the social housing waiting list comprises single households, and small families. The predominance of single and smaller family households will mean a high requirement for one and two bedroom dwellings.

Social Housing Need for Derry City and Strabane District by Settlement Type 2017

Settlement Type	Social Housing Need (Units)
	5 years (2016-21)
City (Derry)	2,341
Main Town (Strabane)	92
Other Settlements	119
Derry City & Strabane District Total	2,552

Source: NIHE Annual Housing Need Assessment – Derry and Strabane District, February 2017

Therefore, though the proportion of social housing stock in the District is considerably higher than for the rest of Northern Ireland, there is a current and ongoing need to ensure suitable small-unit housing, for individuals, families, for the ageing population and those with disability in particular.

4.18 There is no requirement for supported housing units for the period 2016/19 in the Social Housing Development Programme for the DCSDCA. Housing need for supported accommodation is identified through the Supported Housing Commissioning approach on a case-by-case basis. In addition, there is no current need for traveller accommodation. Traveller need is reviewed on a five-year basis; the most recent needs assessment was 2013/18.

4.19 The Housing Executive waiting list can be utilised to determine the pressure for social housing in an area. In the DCSDCA, only 23% (677 out of 2,981) of applicants categorised as being in housing stress were allocated properties within the 12 months prior to 31st March 2016. Of all areas with an identified housing need Eglinton (13%) had the lowest rate of applicants in housing stress being allocated properties followed by Westbank (20%), Strabane Town (22%) and Waterside (25%). This highlights a significant demand for new social housing provision across the district.

4.20 The area of greatest social housing need is the Westbank area of Derry, which has a 15 year projection of 4,885 units, 2015-30. A total Social Housing Need of 2,418 units over the period 2016-21 has been identified for the (former) Derry City Council area, 2,341 of which are required in Derry City. A total Social Housing Need of 134 units over the period 2016-21 has been identified for the (former) Strabane District Council area, 92 of which are required in Strabane Town. While social housing need, can be given to 2030, the projection is based on the assumption that current trends will continue in the future, in a policy neutral environment, therefore, the figures should be read as a simple indicator. These figures could be subject to change due to policy direction, welfare reform, the rate of household growth and economic and housing market fluctuations. This projection will be reviewed regularly by the Housing Executive.

Projected (5 Year) Social Housing Need, 2016-21

Settlement	Housing Need Assessment Area*	Total 5 Year Projection
Derry City	Waterloo Place Westbank	1,136
	Collon Terrace Westbank	940
	Waterside 1	120
	Waterside 2	82
	Waterside 3	50
	Currynierin	5
	Drumahoe	5
	Tullyally	3
	Total	2,341
Strabane Town	Strabane Town	92
Ballymagorry	Ballymagorry	15
Clady	Clady	3
Claudy	Claudy	10
Eglinton	Eglinton	30
Lettershandoney	Lettershandoney	3
Magheramason	Magheramason	4
Newbuildings	Newbuildings	6
Sion Mills	Sion Mills	16
Strathfoyle	Strathfoyle	20
Douglas Bridge	Douglas Bridge	4
Nixons Corner	Nixons Corner	8
Total		2,552

Source – NIHE 'Commissioning Prospectus, For Social Housing Development Programme 2017/18 – 2019/20'

Levels of Homelessness: Derry City & Strabane District

	2011/12	2012/13	2013/14	2014/15	2015/16
Number Presented	1,920	1,880	2,011	2,107	1,920
Awarded Full Duty Status	1,077	1,064	1,120	1,291	1,209

Source: NIHE

Housing Applicants on Waiting List in March 2016

	NIHE Housing Stock	Waiting List Applicants	Applicants in Housing Stress	Total Allocations
DCSDC	8,944	4,247	2,981	719

4.21 Intermediate Housing Demand The Housing Executive believes it is important that intermediate housing is developed for those who cannot access market housing, including first time buyers who aspire to owner occupation. Co-ownership has approved 120 purchases or approximately 30 per annum for the four years between 2012/16 in the DCSDCA. The Housing Executive has developed models to assess intermediate housing need based on best practice in Great Britain. The requirement for intermediate housing based on future household demand for 2015/25 in the DCSDCA is assessed at 565 or approximately 60 units per annum. The most popular house types bought under Co-ownership are townhouses and semi-detached properties, of which the vast majority (90%) are for 3 plus bedrooms. (Source: Housing Executive)

4.22 Supported Housing The term ‘supported housing’ relates to accommodation with complementary housing support services to cater for people with a range of specific needs. Increasingly, housing support services will be individual and person-centred and will not necessarily have specialised accommodation solutions and associated implications for land use. The land use requirements for supported housing will be identified in the HNA and the findings will be taken into account in the preparation of the LPD.

4.23 Specialised Housing Need People present themselves as homeless for many reasons, the causal factors of which may include marriage/house sharing breakdown, family/relationship disputes and unsuitability of accommodation. NIHE, Housing Associations and other agencies are responsible for providing temporary accommodation for homeless people, Travellers as well as for the provision and allocation of “supported housing”, which also provides rehabilitation for those who are elderly or disabled. The number of people presenting themselves as homeless in the DCSDCA has increased by 11% between the 2010/11 and 2015/16 financial years. In Derry and Strabane District, there is identified need for 37 social housing wheelchair units (2016-21). In addition,

demand from people with a disability who wish to own their own homes, or rent privately, cannot readily be met, as there is no requirement for market housing to provide wheelchair accessible homes. Currently, approximately 35,000 people in Northern Ireland require a wheelchair on a daily basis, with over 2,600 new wheelchair users registering each year. In Derry and Strabane District the number of wheelchair users for the six monthly period of 1st April 2015-30th September 2015, was 324 people, including 129 new users (Source: Musgrave Park Hospital). There are increasing numbers with complex disabilities living in domestic settings due to:

- The increased demographics of age and disability,
- Medical advancements with people surviving trauma,
- Legislative & policy changes e.g. ‘Care in the Community’.

4.25 **Travellers** NIHE have the strategic role in relation to the provision of accommodation to meet the needs of the Traveller community. They undertake a 5-year rolling programme of schemes required to meet the accommodation needs of Travellers. There are three broad categories of Travellers accommodation - grouped housing; serviced sites; transit sites. One Serviced site (Daisyfield) is currently available in Derry for those Travellers who prefer to reside in static mobile home type accommodation. For those Travellers who wish to remain nomadic, two transit sites are available in Greenbrae, Strabane and Ballyarnet in Derry.

5.0 The Settlement Hierarchy

5.1 The allocation of housing growth to specific locations in a district is a matter for decision through the development plan process. In the allocation process, due weight needs to be given to reinforcing the leading role of the Regional Gateway (Derry) and Hubs (Strabane). Another important step in this allocation process is making judgements to achieve a complementary urban/rural balance to meet the need for housing in the towns of the district and to meet the needs of the rural community living in smaller settlements and countryside. The varied housing needs of the whole community need to be met.

5.2 **Existing Settlement Hierarchy - Local Area Plans** Both the Derry Area Plan 2011 and Strabane Area Plan 2001 are now past their notional end dates and were prepared long before the introduction of the RDS and in very different social and economic climates. Each plan established a settlement hierarchy upon which future development or growth was based. **The Derry Area Plan** focussed most of the City’s growth on the periphery of the built-up area and designated villages because of their size and local importance as service centres. It also identified ‘small settlements’, smaller in population terms than villages, which did not possess the same range of services but yet acted as local focal points in the countryside.

5.3 The **Strabane Area Plan** defined Strabane as the District Town and designated a number of local towns, which although varying considerably in terms of size and character, all function essentially as local service centres. In addition, ‘villages’ were designated on account of their locally significant service centre roles for the surrounding rural hinterland. At the fourth tier in the Strabane Area Plan settlement hierarchy were ‘hamlets’ – comparable to the small settlements in the Derry Area Plan. These settlements could accommodate small groups of dwellings or single dwellings as long as their size, character and identity were preserved.

5.4 When comparing the two settlement hierarchies in the respective Plans for each District, several significant differences become apparent. Derry District possesses no town hierarchy while Strabane, as the District town, has three satellite local towns. Derry District has seven villages, compared to Strabane’s thirteen. It is noticeable that two of Derry’s villages (Culmore and Eglinton) are larger in terms of population (2011 Census) than Strabane’s two largest local towns (Castlederg and Sion Mills). However, the settlement hierarchy is based upon more than just population figures alone and also considers the function that a settlement provides.

Derry City and Strabane District Council LDP Workshop 4 – Housing in Settlement Hierarchy

	Derry District	Population (Census 2011)*	Strabane District	Population (Census 2011)
City	Derry	83,163 (-489)		
Main Town			Strabane	13,172 (-208)
Total		83,163 (-489)		13,172 (-208)
Local Towns	(0)		(3)	
			Castledearg	2976 (+237)
			Sion Mills	1907 (-166)
			Newtownstewart	1551 (+84)
Total		0		6434 (+155)
Villages	(7)		(13)	
	Claudy	1340 (+17)	Ardstraw	221 (-1)
	Culmore	3465 (+528)	Artigarvan	730 (+133)
	Eglinton	3679 (+529)	Ballymagorry	608 (+41)
	Lettershendoney	510 (+9)	Clady	538 (+115)
	Newbuildings	2611 (+115)	Donemana	586 (-2)
	Park	520 (+208)	Erganagh	498 (+132)
	Strathfoyle	2419 (+841)	Glebe	734 (+65)
			Killen	269 (+38)
			Killeter	92 (-55)
			Magheramason	476 (+83)
			Plumbridge	234 (-33)
			Spamount	246 (-63)
			Victoria Bridge	393 (-75)
Total		14,544 (+2,247)		5625 (+528)
Rural Remainder	Small Settlements (13)		Hamlets (11)	
	Ardmore	433	Aghabrack	
	Ballyrory	68	Aghyaran	
	Campsey	157	Altishane	
	Carnanreagh		Bready	231
	Craigbane		Cloghcor	

	Goshaden	80	Cranagh	62
	Killaloo	92	Donagheady	123
	Killea	176	Douglas Bridge	129
	Maydown	496	Drumlegagh	92
	Nixon's Corner	242	Garvetagh	
	Straidarran	410	Glenmornan	142
	Tamnaherin	251		
	Tullintrain			
*Figures in brackets are the difference between 2001 and 2011 figures				

District population % per Settlement Hierarchy

Settlement Hierarchy	Population	% of District Population
City	83,163	56.3%
Main Town	13,172	8.9%
Local Towns	6,434	4.4%
Villages	20,169	13.7%
Small Settlements / Hamlets	3,584	2.4%
Countryside	21,178	14.4%
Total	147,700	100%

6.0 Housing Policy

6.1 Of particular note to this Housing in Settlement Hierarchy paper are Planning Policy Statement 7 'Quality Residential Environments' and PPS12 'Housing in Settlements'. Each PPS comprises strategic planning policy, as well as detailed operational policy for all of NI. Much of the strategic policy is now included in the new SPPS (and the RDS) as well as quite detailed operational policy for each subject area that is similar to that in the PPSs.

6.2 PPS7 main objectives are:

- To promote an integrated approach to achieving sustainable and quality residential environments.
- To promote quality residential development that:
 - creates places for people which are attractive, locally distinctive and appropriate to their surroundings, safe, convenient, adaptable and easy to maintain;

- respects and enhances features of value and local character and promotes biodiversity; and
- reduces reliance on the private car, supports movement by pedestrians and cyclists, provides adequate and convenient access to public transport and connects well with the wider locality.
- To promote the comprehensive planning and development of residential areas and ensure that adequate information accompanies planning applications which will enable the delivery of an improved design quality.
- To ensure that adequate provision is made for infrastructure and appropriate local neighbourhood facilities as an integral part

6.3 PPS12 policy has 4 planning control principles:

- Planning Control Principle 1: Increased Housing Density without Town Cramming
- Planning Control Principle 2: Good Design
- Planning Control Principle 3: Sustainable Forms of Development
- Planning Control Principle 4: Balanced Communities

6.4 The Council will be reviewing the existing housing policies and decide on their applicability for this District and will also consider the ‘realistic alternative’ options for the purpose of the substantive Plan Strategy Policy as well as for the SEA process. Members are advised to consider both these Planning Policy Statements as this paper not only focuses on the allocation of housing but also how the plan policies will deliver the type and tenure of housing such as social housing, affordable house, private sector housing etc. Another issue would be the range of densities on housing land. The Council will then have the option of

- a) retaining all the existing policies, simply transferring them to the LDP Plan Strategy, or
- b) revising the policies, and having tailored policies for this District in our LDP.

6.5 Planning officials presented a Policy Evaluation paper of all the existing policies at Workshop 2 on 4 July 2016 to allow an informed discussion and decision by Members on the extent of new/revised policies to be included in the LDP Plan Strategy. It was recommended that Planning Officials proceed to give formal consideration and review to the relevant identified policies including PPS7 (Quality Residential Environments).

7.0 Strategic Allocation of Housing – Scenarios

7.1 As the LDP delivers strategic planning, emphasis will be placed on the importance of the relationship between the location of housing, jobs, facilities and services and infrastructure. Likewise the RDS places clear emphasis on the managing of housing growth to ensure that there continues to be a focus on developing more high quality

accessible housing within existing urban areas without causing unacceptable damage to the local character and environmental quality or residential amenity of these areas.

7.2 The Introduction to the Housing Executive's 'Housing Strategy for Local Development Plans' Derry and Strabane published in April 2016 states that it represents the Housing Executive's vision and values for our District's future LDP. The Strategy sets out the Housing Executive's general principles for all housing developments across Northern Ireland. The second section, through analysis of the local housing context for Derry City and Strabane District Council Area (DCSDCA), proposes how these principles can be adapted to be appropriate for the local area. The Strategy further states that this paper is to inform the Preferred Options Paper and the Housing Strategy and associated policies for the Plan Strategy.

7.3 The Housing Executive believes that all new housing developments should support the creation of sustainable and balanced communities. A sustainable community is one, where people want to live and work, both now and in the future. They have identified key components of a sustainable community, based on the Bristol Accord, which they want considered in the preparation of a Housing Strategy and the identification of housing sites in Derry/Londonderry. They have considered in detail in their paper Housing Strategy for Local Development Plans (April 2016) that sustainable communities are, namely:

- Inclusive and safe;
- Well connected;
- Well serviced;
- Environmentally sensitive;
- Economically successful;
- Well designed and built;
- Fair for everyone;
- Well run.

7.4 Possible Housing Allocation Scenarios for the District

It is important to achieve both a sustainable urban / rural balance and an appropriate allocation across the settlement hierarchy. To aid discussion on how future housing should be allocated, four possible scenarios are suggested in the tables below. They take as their starting point the % proportion of the population (or alternatively households) in each specific tier of the overall settlement hierarchy. The subsequent scenarios are then developed based on raising or lowering these proportions to drive these scenarios. The four suggested scenarios are as follows:

- **Scenario 1 – Status quo** scenario where future housing growth is allocated based on the current % proportion of population in that tier.
- **Scenario 2 – An Urban Drive** where future housing growth is directed towards the main settlements with a limited amount for the smaller settlements and the countryside.
- **Scenario 3 – Rural Bias** where future housing growth is directed towards the smaller settlements and the countryside and greater urban growth is constrained.
- **Scenario 4 – Balanced & Sustainable** approach in line with the Growth Strategy presented in Paper 1, having ‘taken account’ of the RDS and been subject to the accompanying Sustainability Appraisal which includes Strategic Environmental Assessment.

Scenario	
1	<p>Status Quo - future housing growth is allocated based on the current % proportion of population in that tier of the Settlement Hierarchy.</p> <p>Issues:</p> <ul style="list-style-type: none"> • Based on strategies of two notionally out of date area plans; • Both prepared with little consideration of sustainability issues; • Population is driving direction of growth; • Recent housing development very focussed on social housing – historically significant swathes were located toward periphery in Derry away from shopping locations and accessible only by car or taxi. • Growth in certain settlements perceived contrary to role of RDS for Derry and Strabane.

<p>2</p>	<p>Urban Drive - future housing growth is directed towards the main settlements; rural growth is constrained.</p> <p>Issues:</p> <ul style="list-style-type: none"> • Growth is directed to the main settlements; • Potential intensification of traffic and associated issues; • Intensification on sewerage system; • Risk of unsustainable growth in smaller settlements lacking in service provision; • Net migration from countryside to surrounding settlements; • Impact on rural communities, services, schools, churches & chapels. • Fracturing of social fabric and ties of rural life.
<p>3</p>	<p>Rural Bias - future housing growth is directed towards smaller settlements and the countryside; urban growth is constrained.</p> <p>Issues:</p> <ul style="list-style-type: none"> • Growth directed to rural area and smaller settlements; • Impact on landscape, character & tranquillity; • Impact on local road network; • Impact on Council services – i.e. bin collection; • Impact on sewerage system – proliferation of septic tanks; • Impact on protected sites; • Impact on biodiversity – e.g. hedges and protected species; • Lead to vibrant rural economy where those services already exist and are established; • Housing intensification needs supporting development of service infrastructure developed with it; • Contrary to stated roles for driving the growth of Derry city & Strabane. • Maintains social fabric of rural life.
<p>4</p>	<p>Balanced & Sustainable Approach - which has ‘taken account’ of the RDS and been subject to Sustainability Appraisal (including Strategic Environmental Assessment).</p> <p>Issues:</p>

- Recognises the hierarchical development role for Derry City and Strabane as stated in RDS 2035;
- Recognises the need for new LDP to be developed as a result of an iterative Sustainability Appraisal;
- Reflects direction of LDP growth strategy applied to a District hierarchy of settlements and based on latest data;
- Recognises the need for creation of balanced, mixed communities and a variety of house types and tenures;
- Promotes housing development in tandem with convenience shopping *and good* access via sustainable travel routes to nearby centres.

7.5 Scenario 1 is unlikely to satisfactorily deliver the Regional Guidance and objectives as set out in the RDS, particularly in driving Strabane town to develop the critical mass to successfully function as a Main Hub. It perpetuates the status quo and any related current housing inequalities. Alternatively, Scenarios 2 and 3 represent a significant plan intervention to drive housing growth to the urban and rural areas respectively. Scenario 2 is likely to be at variance to the RDS, the future Community Plan and the Sustainability Appraisal. Whilst current rural policy under PPS 21 (2010) has a constraining influence on the extent of rural house building, the SPSS allows Councils to bring forward their own strategy for development in the countryside. However it must be stressed that in allocating sustainable housing growth across the district, especially the urban / rural balance, a desire for additional directed growth to one particular tier may possibly mean constrained development in other tiers.

7.6 Scenario 3 also would not satisfactorily achieve the objectives of the RDS and the proposed growth strategy and it would be both unrealistic and unsustainable to provide a high level of growth in the countryside at the expense of the towns and villages. Overall scenarios 1, 2 and 3 perpetuate the current deficit of required lack of growth currently exhibited in Strabane town which is significantly hampering its ability to develop the scale and critical mass required to perform its RDS expected role of a Main Hub. None of these scenarios would satisfactorily achieve the objectives of the RDS and the proposed growth strategy presented in the Population and Growth paper. Such a situation, if left unchecked, is clearly unsustainable.

7.7 Scenario 4 is considered to reflect a more balanced response to housing growth across the settlement hierarchy and one that also contributes to rural housing. The thrust of this scenario is felt to be more in line with regional guidance and perceived local need bearing in mind the required roles of the settlement hierarchy as set out in the RDS and the LDP Context Paper as presented in Workshop 2. Scenario 4 reflects a considered approach to the unique issues currently facing Derry and Strabane. While each apportions different allocations, they both take account of the RDS directed role for both the main settlements while being mindful of any current development under/over provision. Derry city would continue (but not enhance) its dominant role whilst Strabane town's current deficit in terms of housing development would start to be addressed over time to assist with initiating a development focus on this the main hub for the District.

7.8 It may prove difficult for Scenarios 1, 2 and 3 to secure accordance in terms of taking ‘account’ with the RDS. Similarly, such a significant deliberate urban and rural intervention may be hard to ratify in terms of the legislatively required Sustainability Appraisal (SA). Such a drive to one area at the possible expense of the other may also create issues in terms of the EQIA and S75 groups and possibly SEA implications if excessive growth has the potential to create environmental issues. They may also have implications for the soundness tests for the LDP documents at the Independent Examination, but by that stage it would be expected that the simultaneous SA process would have highlighted such issues and alerted officials to the potential implications of continuing on with a potentially unsustainable plan direction.

7.9 It is also essential for Members to give thought to the existing housing commitments and current zonings we have from the DAP and SAP and question how we balance them with a much reduced HGI allocation. We currently have an overall total urban commitment across the District of some 14,900 dwellings. This incorporates specific sites benefitting from planning permission and zoned sites in the plan with indicative housing densities. Our recently allocated HGI figure for the period 2012-2025 is 5,000 houses. If we pro-rata this up at our current build rates to cover the LDP period 2015-2032, the HGI figure rises to 6,539. If we assume that we can sustainably defend at the Independent Examination a figure approaching some 7,000, it is still readily apparent that we only need to build about half of the houses potentially committed across the District. Furthermore, this HGI figure also has to include the appropriate rural allocation for our District and in addition has to be composed of a mix of house types and tenures to meet our future population needs.

7.10 The Housing Executive have assessed a total social housing need for our District for 2015-2032 of 6,539 units. This figure in itself could subsume the majority of the HGI figure now allocated to this District and to use it entirely in this way would, it is more than likely, be considered unsustainable. Whilst Housing Executive have provided these social housing figures, these statistics including the overall social housing need figure estimated for the plan figure are currently under review and the Housing Executive officials expect the figures to be significantly reduced. The Housing Executive have stated they now wish to see social housing integrated into sustainable and balanced communities comprising a mix of tenure types. They wish to move away from the large scale, homogenous and bland designs of the 1970 estates located on the periphery with little in the way of public transport connections or employment opportunities.

7.11 Our current commitment figure is significantly in excess of our allocated HGI figure. In essence we have zoned land to spare across the plan period. This raises the issue of the density of housing we should seek to establish on such zoned sites. This has implications for the rate we use up our zoned land and also in turn affects the layout and design of such developments and contributes to the character of the settlements.

7.12 If we opt for low density - 15 houses / ha., we can create a character of detached houses, front and rear gardens, spacious driveways and leafy boundaries. 25 houses / ha. will usually permit mixed developments of detached, semi-detached, and town houses etc. with open space areas. 30+ houses / ha. will be similar to 25 / ha. but will concentrate houses with resulting minimum plot / garden sizes as set out in PPS7 Addendum. A density of 15 houses per ha will use twice as much zoned land as one based on 30 houses. Our current commitments and allocated HGI figure give us the opportunity to vary densities and create the design of development and character of settlement in line with the emerging vision for our District as articulated through the Community Plan.

7.13 The above assessment gives a flavour of the scenarios for housing allocation to the settlement tiers and the resultant considerations. During the actual LDP preparation stage, Members and officers will need to fully undertake this strategic allocation exercise, as well as going on to attempt to quantify / predict for houses in the rural area – possibly with appropriate adjustment to the rural housing policy elsewhere in our LDP. We will then need to give further consideration, and make decisions, on ‘difficult’ housing issues such as allocations to specific settlements, whether to retain all existing housing ‘commitments’, define housing densities, design guidance, how / where to achieve social housing / other specialist housing, etc. It is also important that the policy objective of the spatial strategy for NI in the adopted Regional Development Strategy 2035, and specifically Policies SFG6: Develop a strong North West and SFG 7: Strengthen the role of Londonderry as the principal city for the North West is considered. It is believed that the HGI should recognise the status of Derry/ Strabane as identified in the RDS.

8.0 Conclusion

8.1 Housing is a key driver of physical, economic and social change in both urban and rural areas. One of the main roles of the future LDP is to provide housing land in accordance with the RDS. This means zoning sufficient housing land in the larger settlements, providing sufficient opportunities in smaller settlements whilst ensuring an appropriate and sustainable rural allocation within the parameters of the Housing Growth Indicators. It also means ensuring that there is an adequate range of sites at suitable locations to provide a mix of house types and tenures to meet our future population needs.

8.2 It is important that future housing across the district does not use a disproportionate amount of local resources including infrastructure, services and industrial and agricultural land. This requires a balanced approach of encouraging compact urban forms and promoting more housing within urban areas. This should support urban and rural renaissance. Urban renaissance is the process of development and redevelopment in urban areas to attract investment and activity, foster revitalisation and improve the mix of uses. Rural renaissance likewise is about revitalising the centres of our small towns and villages, as well as the open countryside, so that they meet the

immediate needs of the communities they serve. Our ultimate aim is to ensure that future housing across the new Council District delivers good place making - living places where people want to live, work and play, now and into the future.

8.3 The purpose of this Paper has been to provide Council officials and elected Members with a baseline housing review of the current land supply across the District, as well as identifying the housing land needs of Derry and Strabane to 2032 and to begin to consider possible strategic policy options on how that housing could be accommodated across the District's settlement hierarchy. This Paper is designed to build on the information presented at Workshop 1 – Population and Growth Strategy as part of the 'evidence base' for the LDP Preferred Options Paper (POP) and Plan Strategy.

It is therefore **recommended** that:

- (i) Members should note the existing relevant regional guidance in relation to the allocation of housing and how this should be sequenced and distributed in the LDP.
- (ii) Members should consider the strategic role of Derry City and Strabane Town as contained within the RDS and also the hierarchy of settlements across the District and their related roles, services and infrastructure.
- (iii) Members note the projected HGI housing figures to 2032, including the social housing requirements and begin to consider how future housing growth can be sustainably apportioned across the settlement hierarchy in line with regional guidance.
- (iv) Members feedback on the suggested Scenarios is welcomed along with views on how this District allocation should be divided to provide a sustainable mix of all housing types and tenures within our settlements and countryside. The issue of housing density is also raised as it affects design and character. Members thoughts on this are also sought.
- (v) Members indicate they are content for the findings of this Paper to be used as part of the 'evidence base' for the Local Development Plan, and taken into account when developing the Preferred Options to be contained with the Preferred Options Paper to be published in Spring 2017 as well as formulating both the aims and objectives of the Plan and future policy.
- (vi) The settlement hierarchy and strategy is broadly in keeping with the Regional Development Strategy and provides a framework against which to formulate a Local Development Plan. The LDP will be subject to a Sustainability Appraisal that will assess the equality of impact of the plan content in terms of social, economic and environmental considerations.

8.4 The research findings contained in this paper together with Members views and advice from the relevant parties/consultees have informed the following options which have been taken forward and subjected to Sustainability Appraisal incorporating Strategic Environmental Assessment as part of the Preferred Options Paper (POP) process.

Summary of Social Development Options

(a)	Option 1	Option 2	Option 3
(b) A - Strategic Housing Distribution	Dispersed – across the Settlement Hierarchy, including countryside in proportion to settlement tier.	Concentrated – emphasis on urban, central, sustainably accessible locations.	Balanced – moderate focus on Derry city as a Regional City, as well as Strabane town as a Main Hub plus housing opportunities across the settlement tiers at appropriate scale / densities and in the countryside.
(c) B - Housing Allocation Quantum	Current Housing Growth Indicator (HGI) as per RDS 6,500 dwellings	Balanced, Planned Growth of 12,000 dwellings	Previous Housing Growth Indicator (HGI) as per RDS 16,000 dwellings
(d) C - Location and allocation of housing land	Rely on existing zonings and settlement development limits.	Retain committed and zoned housing land for residential, re-evaluate un-committed sites and allocate any further required land in accordance with sequential test in SPPS, and deliverability.	Re-evaluate all existing zoned land on the basis of sustainability. Only carry forward zonings deemed sustainable. Allocate all land based on sequential test in SPPS.
D – Social / Affordable Housing and Balanced Communities (e)	Incorporate the principle of including social, private and affordable housing & cross community. Consider policy and mechanisms to	More research needed by DfI, DfC, NIHE and Council on this area. The need is not proven for policy response, so do not include in the	

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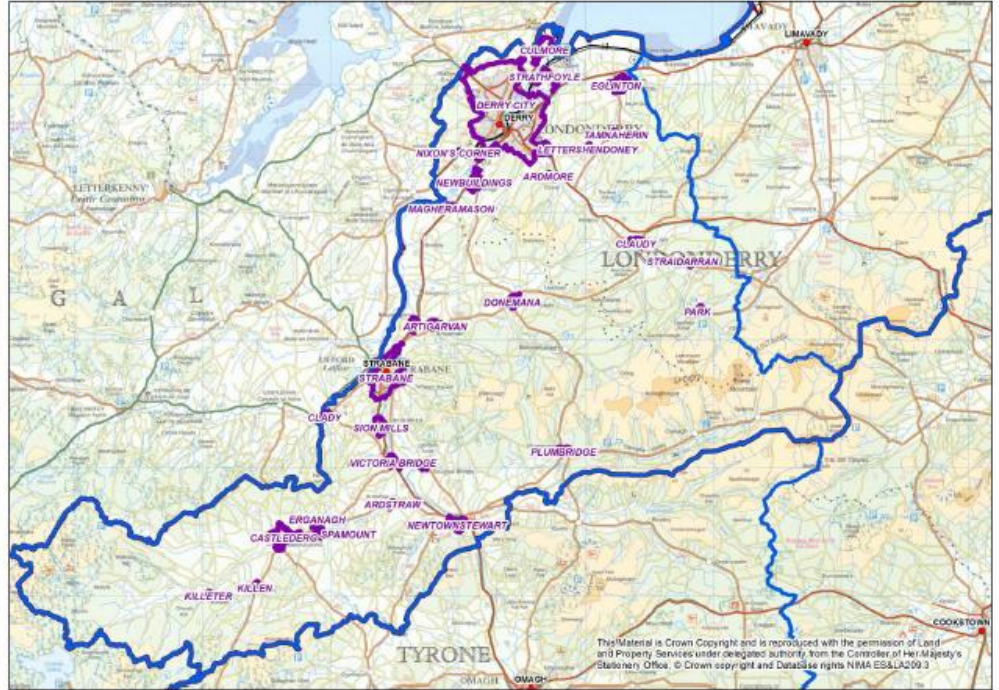
	<p>deliver balanced communities and meet all housing need / demand. More research needed by DfI, DfC, NIHE and Council.</p>	<p>Plan. Possible future subject plan or supplementary guidance.</p>	
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Derry City and Strabane District Council LDP Workshop 4 – Housing in Settlement Hierarchy

Projected Need

HNA*	Projected Need 2016 - 2021
Ballymagorry	15
Clady	3
Claudy	10
Curryneirin	5
Derry 1/Waterloo Place Westbank	1136
Derry 3/Collon Terrace Westbank	940
Douglas Bridge	4
Drumahoe	5
Eglinton	30
Lettershandoney	3
Magheramason	4
Newbuildings	6
Nixons Corner	8
Sion Mills	16
Strabane Town	92
Strathfoyle	20
Tullyally	3
Waterside 1	120
Waterside 2	82
Waterside 3	50
Total	2552

* Housing Need has been met in locations not listed above as at March 2016, this will be reviewed on an annual basis

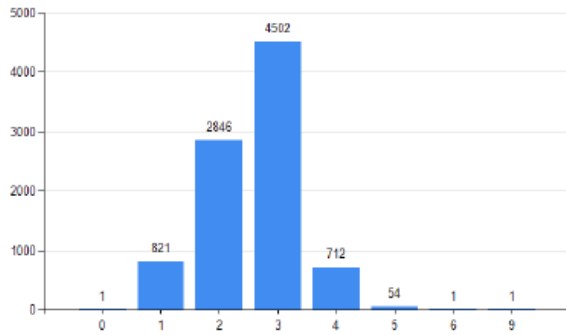


Source: Commissioning Prospectus, Affordable Social and Intermediate Housing. For Social Housing Development Programme Period (2017/18-2019/20)

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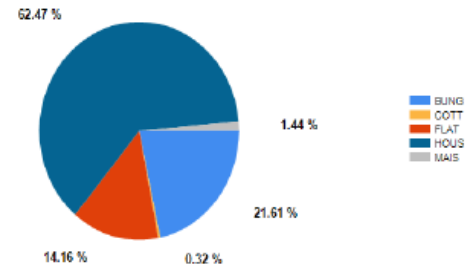
Derry & Strabane

NIHE Stock by No of Bedrooms



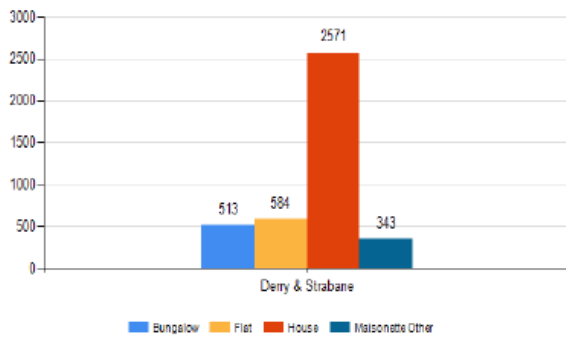
Source: NIHE HMS March 2016

NIHE Stock by House Type



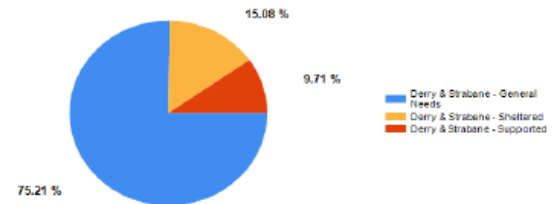
Source: NIHE HMS March 2016

Housing Association Stock by House Type



Source: NI Federation of Housing Associations

Housing Association Stock by Needs Group



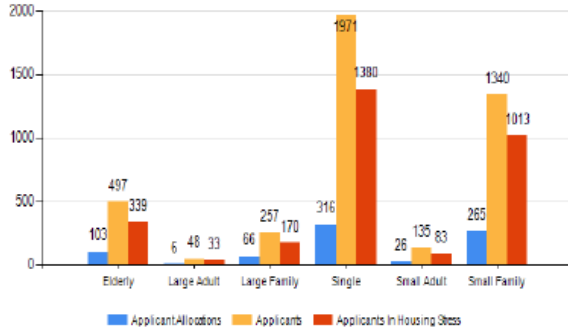
Source: NI Federation of Housing Associations

Source: Commissioning Prospectus, Affordable Social and Intermediate Housing. For Social Housing Development Programme Period (2017/18-2019/20)

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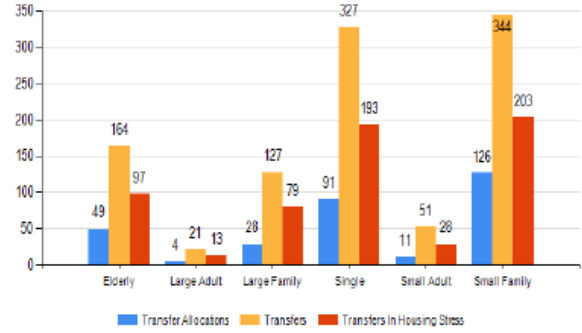
Derry & Strabane

Waiting List - Applications



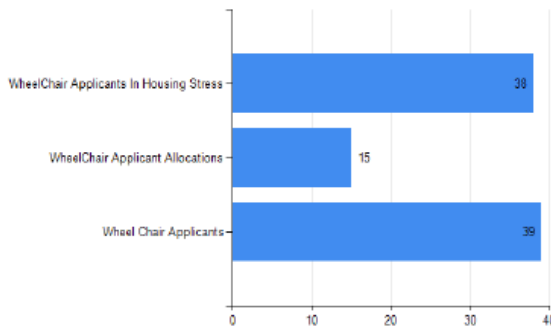
Source: NIHE HMS Waiting List December 2016

Waiting List - Transfers



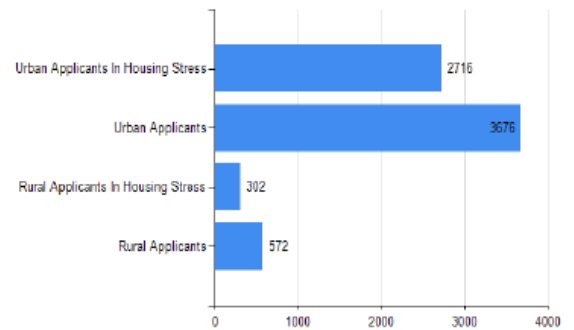
Source: NIHE HMS Waiting List December 2016

Waiting List - Wheelchair Applicants



Source: NIHE HMS Waiting List December 2016

Waiting List - Urban/Rural



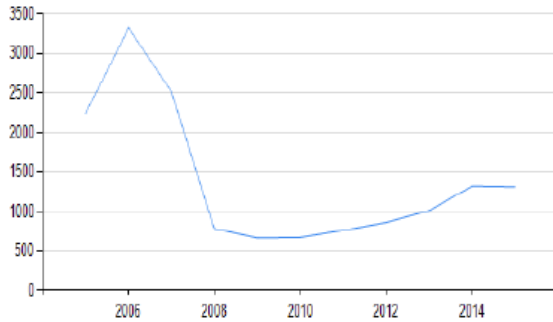
Source: NIHE HMS Waiting List December 2016

Source: Commissioning Prospectus, Affordable Social and Intermediate Housing. For Social Housing Development Programme Period (2017/18-2019/20)

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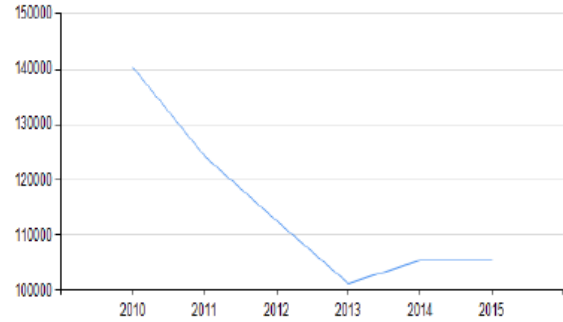
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All House Sales



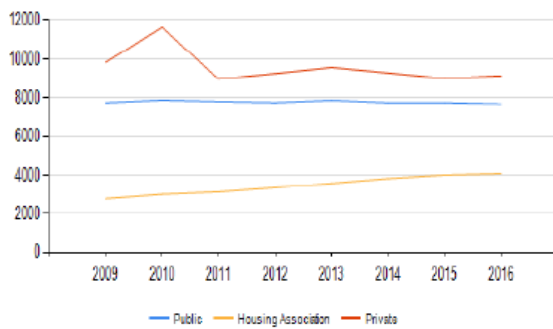
Source: LPS March 2016

Average Annual House Price



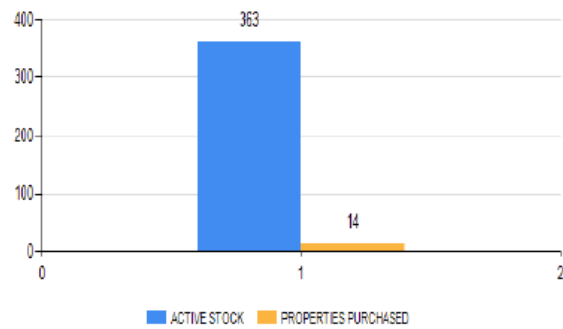
Source: Ulster University, March 2016

Housing Benefit Uptake



Source: NIHE March 2016

Co-Ownership at March 2016



Source: Co-Ownership Housing Association

Source: Commissioning Prospectus, Affordable Social and Intermediate Housing. For Social Housing Development Programme Period (2017/18-2019/20)