

North Crawley Neighbourhood Plan

Housing Needs Assessment

Introduction

This Housing Needs Assessment has been prepared to support the North Crawley Neighbourhood Plan. It seeks to justify a proposed level of growth of 30 dwellings over the 15 year period of the plan. The plan covers the entirety of North Crawley Parish; for the purposes of this report though the terms 'village' and 'parish' are used interchangeably.

In 2011 census data the parish is split into three separate output areas within the wider 'Sherington' output area. All information referred to in this report is cumulative across all these output areas (which have the reference numbers E00084774, E00084775, and E00084776). Where relevant this census data is supplemented with results of a questionnaire undertaken by the Neighbourhood Plan steering group in July 2017. The questionnaire is more up to date than but not as comprehensive as the census, with recorded results from 237 households as opposed to 317 in the census. However, both are considered to represent valid data sources for the purpose of this assessment. The shortfall in households represented by questionnaire data is explained by virtue of the fact that the census is a compulsory exercise and that questionnaire circulation concentrated on the main village as opposed to outlying residences.

The report is intended as a generalised summary of the factors affecting housing need in North Crawley, rather than a precise calculation or an equivalent to the 'objectively assessed need' approach that informs Local Plans.

There is in fact no requirement for growth in the neighbourhood plan to be specifically justified. The basic conditions for Neighbourhood Plans explain that they should be 'general conformity' with strategic policy. Paragraph 184 of the NPPF expands on this and says that Neighbourhood Plans should not promote less growth than set out in the Local Plan or undermine its strategic policies. It is widely accepted that this means plans may allocate more growth if desired.

North Crawley is an 'other village' for the purposes of the existing settlement hierarchy in Milton Keynes (outlined in Policy CS1 of the Core Strategy). It is not expected to accommodate any specific level of growth other than small windfall opportunities. In the emerging Plan:MK, the lower tiers of the settlement hierarchy have been consolidated into a single category covering villages and rural areas, where development will be allowed in compliance with made neighbourhood plans (Policy DS1).

Therefore, in fundamental terms, the allocation of any quantum of housing in North Crawley is appropriate and consistent with existing and emerging policy. This matter is explored in the accompanying basic conditions statement submitted with the plan.

The remainder of this report focuses on the rationale for selecting the particular level of growth in the plan (30 dwellings).

Housing Market Area

North Crawley is a small village that has no geographical or socioeconomic characteristics that indicate it should be treated as its own housing market area.

Like many villages in the rural area of Milton Keynes, its attractiveness is mostly due to its rural environment combined with its connectivity with Central Milton Keynes, the M1, and Cranfield all

within easy reach. The village has a school, shop, and sports facilities that realistically all enhance the likelihood of a prospective purchaser wanting to move to the area or an existing resident looking to remain. However, none of these factors exert a quantifiable influence over housing need above that found elsewhere in the rural area of Milton Keynes.

The future housing needs of the village are therefore more appropriately considered through the use of the demographic and economic information considered below.

Household projections

The household projections published by the Department of Communities and Local Government indicate that households across the Milton Keynes area as a whole will increase from 110,000 in 2018 to 131,000 in 2033 (i.e. the 15 year period of the Neighbourhood Plan). This represents a 19% increase.

Projections naturally lose accuracy when disaggregated to smaller output areas. However, if North Crawley was broadly consistent with the rest of Milton Keynes, the existing 317 households in the village would be expected to increase by 60 across the Neighbourhood Plan period.

The neighbourhood plan allocates a level of housing (30 dwellings) that is around half of this for several reasons:

Local Supply

Household formation within the parish is less likely to occur in a “self-contained” fashion because individuals that live in the village (e.g. with parents) that wish to establish their own household are just as able to do so locally in another parish as they are within the village itself. This effect is a natural result of projecting household formation at a micro scale but is nevertheless supported by specific local circumstances. For example, Newport Pagnell a short way to the west will be accommodating a level of growth that exceeds its own population projections. Households forming in North Crawley will therefore have the opportunity to still remain “local” even if they are ultimately established outside the village. Household formation in North Crawley will not be constrained by local supply because the village does not comprise its own housing market area and there is therefore considerable choice from other significant sources of supply in the local area.

Household formation rates

More importantly, household formation in the existing village population will not be as high anyway due to the relatively large proportion of households without dependent children. 196 out of 237 (82.3%) households responding the questionnaire said they have no children, which is broadly consistent with the 243 out of 317 (76.6%) in the 2011 census. The national household projections indicate that the wider Milton Keynes area has proportionally 15% fewer households with no dependent children (67,000 out of 103,000: 65%). This means that formation rates in North Crawley will be lower than the local average as households without children do not generate additional households other than through specific circumstances such as divorce.

There is no direct correlation between having 15% more childless households and allocating 50% fewer dwellings than projections suggest. However, considered against the local supply, economic drivers, and existing strategic policy factors outlined elsewhere in this report, it is clear that there are cumulative reasons for the allocation of 30 dwellings to be considered sound.

Using a simplistic analysis that ignores migration, 30 dwellings would accommodate just under 75% of the dependent child population (41) identified in the 2017 questionnaire. In reality, household

formation will display a far lower ratio against existing numbers of children as the majority will either wish to move away from the village or will remain in their childhood homes as young adults. 30 dwellings therefore represents an allowance that balances the needs of the existing population against the likelihood of continued migration. Notably, unlike self-contained formation, migration not have any defined limit; it is likely that North Crawley could allocate an extremely high number of dwellings and still not completely satisfy the 'need' generated by those who would seek to move to the village from elsewhere. It is therefore entirely appropriate and lawful for the Neighbourhood Plan to establish its own limit to this and indeed explore means of restricting some elements of its supply to genuinely local needs.

Economic drivers

The Strategic Housing Market Assessment for Milton Keynes (2017) explains that population growth across the Borough is heavily influenced by economic performance with a substantial amount of households generated through job creation and subsequent inward migration. North Crawley has no specific economic driver of its own that indicates a higher level of growth should be planned for. Indirectly, growth in an attractive rural village might accommodate some of the need generated by 'executive' job creation elsewhere in Milton Keynes. However, there is no evidence that suggests that there should be a specific uplift for this in North Crawley as opposed to any other village in Milton Keynes.

The possible exception to this is the village's proximity to Cranfield, where there are potentially significant increases in jobs planned. However, this is a cross-border matter and Neighbourhood Plans are not subject to the duty to cooperate that might otherwise require Councils to proactively plan for growth in neighbouring areas. It is again entirely appropriate and lawful for the Neighbourhood Plan to choose not to apply a specific uplift to reflect its proximity to Cranfield.

Existing strategic policy

Partly due the economic circumstances outlined above, the prevailing strategic policy for housing growth in Milton Keynes recognises the intrinsic difference between the rural and urban areas of the Borough. Growth has historically been accommodated in the urban area with less growth in the rural area, particularly outside of 'key settlements' or 'selected villages' (neither of which apply to North Crawley). The 'policy on' approach to growth would therefore also suggest a lower level of growth is appropriate to North Crawley, notwithstanding the fact that Neighbourhood Plans may lawfully allocate growth over and above strategic policy.

House prices

House price data for the area indicates that average values have increased by 29.3% over the last 10 years. This is based on 105 sales and is somewhat skewed by several large transactions that do not reflect the typical housing stock of the village.

Increases in house prices are consistent with local, regional and national trends yet have complex links to housing need. A more useful indicator of how prices should affect future growth is affordability. However, there is no information available on household income in North Crawley.

Questionnaire results for the neighbourhood plan indicated a strong preference for both affordable housing and privately owned dwellings. The questionnaire also favoured a level of growth of no more than 35 dwellings. This indicates that the proposed amount of development has a strong basis in the community's self-assessment of need. Notably, 30-35 dwellings is a level of development that would result in affordable housing provided it was not split over more than 2-3 sites.

Conclusion

This report has been prepared to characterise the circumstances that affect housing need in North Crawley and justify how the North Crawley Neighbourhood Plan reflects these.

The Neighbourhood Plan allocates around half the number of dwellings that would be required according to the government's household projections for the wider Milton Keynes area. However, the village diverges from the average socioeconomic conditions across the Borough, specifically in terms of likely household formation rates, other local sources of supply, and its lack of individual economic drivers.

The allocation of any form of growth in the Neighbourhood Plan is demonstrably consistent with existing and emerging strategic policy. 30 dwellings is a quantum of housing that reflects an appropriate balance between the needs of the existing village population and the likelihood of the village to continue to attract people moving in.