

Newry, Mourne and Down Local Development Plan Preparatory Studies



**Paper 2 : Housing Paper
November 2014**



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ACCOMMODATING HOUSING GROWTH ACROSS NEWRY, MOURNE and DOWN COUNCIL AREA

PURPOSE

The purpose of this paper is to provide the Shadow Planning Committee with an overview of the current housing situation in the Newry, Mourne and Down District Area and to consider the housing requirements up to 2030.

It provides information on:-

- (i) the regional policy context for formulating Local Development Plan housing strategies and policies ;
- (ii) a summary of the housing characteristics of Newry, Mourne and Down District and household projections to 2030;
- (iii) an overview of the availability of housing land across the settlements of Newry, Mourne and Down District
- (iv) an understanding of the options available for making housing allocations and the implications of such decisions.

RECOMMENDATION

That the Shadow Planning Committee note the paper findings and considers how future housing growth should be apportioned across settlements and the countryside through facilitated workshops.

1.0 Introduction

- 1.1** This is the second of four papers to be presented to the Shadow Planning Committee prior to the transfer of the majority of planning powers in April 2015.
- 1.2** The purpose of this paper is to inform the newly formed Shadow Planning Committee for Newry, Mourne and Down on how housing land provision can be addressed in the future.
- 1.3** This paper sets out the regional context for housing, outlining the current situations regarding population and housing and the implications of new household formation and population growth in the Plan area. It provides an indication of how housing growth could be allocated across the existing settlement hierarchies of each district, taking into account the directions for balanced growth as set out in the Regional Development Strategy 2035 (RDS).
- 1.4** It then addresses land availability for housing across Newry, Mourne and Down using information from the annual Urban Housing Land Availability Summary. It examines the take up of zoned and unzoned land within the current development plans and the amount of land remaining available for development and identifies whether any additional land is required to 2030.
- 1.5** This paper allows members to commence consideration of a housing growth strategy and to understand the options for allocating housing growth and the potential consequences of such allocations. However, at this stage the paper only aims to provide a foundation for future decision making which will need to be further informed by more detailed evaluation studies of the individual settlements (including settlement and environmental assets appraisals, urban capacity studies, landscape & housing evaluation framework assessments and development pressure analysis), a sustainability assessment, community plan & member input and public consultation.

2.0 Regional Policy Context

2.1 The Regional Policy Context is provided by the Regional Development Strategy (RDS) 2035 and regional planning policy statements. A summary of these documents as they relate to plan making and local housing policy is provided in the following sections.

(a) Regional Development Strategy

2.2 Prior to the publication of the Regional Development Strategy (RDS 2025), housing need was estimated by means of a “Predict and Provide” approach. District housing need was estimated by projecting trends in population and average household size, also taking into account house construction rates. The RDS introduced fundamental and significant changes to the manner in which area plans must now provide for future housing requirements. The approach now taken is known as “Plan, Monitor and Manage” which seeks to ensure that plans become more sustainable, balanced and integrated.

2.3 The RDS 2035 sets policy directions for the provision of housing that aim to deliver development in a more sustainable manner. This means growing the population in the Hubs by providing additional housing (SFG 12) and sustaining rural communities living in smaller settlements (i.e. smaller towns and villages) and the open countryside (SPG 13). It also provides Regional Guidance for housing development recognising the need to: -

- strengthen community cohesion through fostering a stronger community spirit and sense of place and encouraging mixed housing development (RG 6);
- support urban renaissance by encouraging and bringing forward under-utilised land and buildings, particularly for mixed use development and promoting regeneration in areas of social need (RG 7); and
- manage housing growth to achieve sustainable patterns of residential development by promoting more sustainable development within existing urban areas and ensuring an adequate and available supply of quality housing to meet the needs of everyone (RG 8).

2.4 Achieving balanced communities and strengthening community means 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. In the first paper to Members on Population and Growth, the importance of providing housing to meet the needs of different groups was highlighted both in terms of families and single people. It was apparent that both the rise in elderly people, declining family sizes and young people

starting out was going to lead to increased demand for smaller units, which should be incorporated into new housing along with family housing to create more balanced communities.

- 2.5** The RDS emphasises a sustainable approach to housing growth, setting of a regional target of 60% of new housing to be located in appropriate “brownfield” sites within the urban footprints of settlements greater than 5000 population (RG 8) which would include Newry City, Downpatrick, Newcastle, Kilkeel, Warrenpoint and Ballyhinch. Brownfield land may encompass vacant or derelict land, infill sites and land occupied by redundant or underused buildings. Therefore, more housing through the recycling of land and buildings within existing urban areas is promoted. Councils are also required to take account of existing vacant housing and needs identified in the Housing Needs Assessment/Housing Market Analysis when allocating land. This includes land for social and intermediate housing such as shared ownership and affordable housing.
- 2.6** The RDS identifies regional housing needs as Housing Growth Indicators (HGIs) across Northern Ireland. HGIs have been produced as a guide for those preparing development plans. The figures are an estimate of the new dwelling requirement 2008-2015 for the existing District Councils. It has been derived by DRD from examining household projections, existing stock, vacancies etc. The HGI for 2008 to 2025 for both Council districts has been set at 9,600 dwellings for Down, and 11,200 for Newry & Mourne. A total NMD HGI of 20,800. When these figures are projected on to 2030 (22 years), the figures are 12,424 for Down District and 14,494 for Newry and Mourne. The projected total NMD HGI to 2030 is an estimated 26,918 new dwellings. Members should note that DOE & DRD have commissioned a piece of work to clarify the allocation of HGIs across the new council clusters which will consider boundary changes.
- 2.7** The RDS leaves the issue of how the HGI should be allocated across the settlements and to the open countryside as a matter for each Council consideration taking into account its spatial framework guidance (SFG). This puts the focus on existing settlements by:
- taking into account the roles and functions of each settlement (SFG10),
 - putting the hubs as the primary focus of growth both in terms of economic development opportunities and population. (SFG11 and 12)
 - recognising the need to sustain rural communities living in smaller settlements and the open countryside, by consolidating and revitalising small towns and villages in their role as local service centres (SFG 13).
- 2.8.** To aid consideration, the RDS provides a Housing Evaluation Framework for considering growth, based on a series of tests such as each settlements resources, environmental capacity, transport links, economic development potential, character, and community services.

(b) Regional Planning Policy Statements

- 2.9** The RDS is complimented by the DOE's Planning Policy Statements, the most relevant of which is PPS12: Housing in Settlements. This document is to be replaced by the Strategic Planning Policy Statement (SPPS), a Draft of which was issued for consultation in February 2014. The draft SPPS does not represent a significant change to housing policy but helps to shorten and simplify the guidance for Councils. Both PPS 12 and the Draft SPPS set regional policy objectives underpinning the RDS and equally relevant to local development plans in terms of:
- managing housing needs in response to changing need;
 - directing and managing growth to achieve more sustainable patterns of residential development;
 - promoting a drive for more housing within urban areas; and
 - encouraging increased density appropriate to the scale and design of cities and towns of Northern Ireland.
- 2.10** The statements reiterate that in making housing allocations, Councils should apply the RDS Housing Evaluation Framework, take account of the Housing Needs Assessment (NIHE), existing commitments (built, approved, and likely to be approved) and potential windfall. It also advises that in preparing a plan a council should undertake an urban capacity study and where appropriate transport assessments.
- 2.11** The guidance sets a sequential approach to site identification, adopting existing urban sites first, before expansions to towns and cities and treating major expansion of a village or small rural settlement only in exceptional circumstances, and the creation of new settlements in the last resort.
- 2.12** PPS 12 also sets out the role of development plan in terms of meeting social housing needs through either the zoning of land or the outlining of key site requirements through the development plan process.
- 2.13** In relation to Housing in the Countryside, the Draft SPPS adopts a similar approach to PPS 21:Sustainable Development in the Countryside, setting policy objectives aimed at;
- managing growth to achieve appropriate and sustainable patterns of development which support a vibrant rural community;
 - conserving the landscape and natural resources of the rural area and to protect it from excessive, inappropriate or obtrusive development and from the actual or potential effects of pollution;
 - facilitating development which contributes to a sustainable rural economy; and
 - promoting high standards in the design, siting and landscaping of development.

- 2.14** The Draft SPPS also adopts a policy approach based on clustering, consolidating, and grouping new development, particularly new residential development, with existing established buildings and the re-use of previously used land and buildings.
- 2.15** The Council should bring forward a strategy for development in the countryside which should reflect the aim, objectives and policy approach of the Draft SPPS, tailored to the specific circumstances of Newry, Mourne and Down. These specific circumstances can be identified through:
- Analysis of key assets or features of their rural community;
 - Environmental assets appraisal;
 - Development Pressure Analysis; and
 - Landscape assessment.
- 2.16** The Draft SPPS states that certain areas of the countryside exhibit exceptional landscapes such as mountains, lough shores and certain views or vistas, wherein the quality of the landscape and unique amenity value is such that development should only be permitted in exceptional circumstances. In these circumstances Areas of Outstanding Natural Beauty (AONBs) may be introduced.
- 2.17** The Draft SPPS also refers to Dispersed Rural Communities (DRC) which ease controls on rural housing and can be identified in the countryside, where appropriate. DRCs are intended to reflect issues of remoteness, evidence of community activity associated with a focal point (schools, sports clubs, public houses) and an established dispersed pattern of development. In the Banbridge/Newry & Mourne Area Plan 2015 Adoption Statement, the Department confirmed that in liaison with District Councils, it will investigate the issue of Dispersed Rural Communities further to inform any proposals that may be contained in a new development plan after the transfer of planning powers in 2015.
- The Draft SPPS also advises that Councils should formulate policy to ensure that:
- development in the countryside integrates into its setting;
 - respects rural character; and
 - is designed appropriate to the local area.
- 2.18** Other regional policies currently contained in PPS7: Quality Residential Environments and PPS8: Open Space, Sport and Outdoor recreation that are relevant to housing policy, are reflected in the SPPS and are primarily concerned with issues related to design and layout. Draft Planning Policy Statement 22 (PPS22) deals with Affordable housing. These matters will be addressed later in this paper.

(e) Supplementary Planning Guidance

- 2.19** In addition to regional policy, supplementary planning guidance for residential development is provided by 'Creating Places - Achieving Quality in Residential Development' (May 2000). It is the principle guide for use by prospective developers in the design of all new housing areas. DCAN 8: Housing in Existing Urban Areas, will also be material to the determination of planning applications for small unit housing within existing urban areas.
- 2.20** The publication '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.
- 2.21** In conclusion, the role of the development plan is to provide housing land in accordance with the RDS. This means zoning sufficient housing land in the larger settlements and providing sufficient opportunities, including Housing Policy Areas (HPAs) in smaller settlements to meet 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 population needs. This paper focuses on identifying what the local housing needs are in relation to overall numbers and special needs. In demonstrating that the HGI is sufficient to cater for the needs of a growing population, the paper then examines how the HGI should be distributed across settlements under the provisions of the RDS and PPS 12 in order to promote sustainable and balanced growth.

3.0 EXTANT PLAN HOUSING CONTEXT: ARDS & DOWN AND BANBRIDGE/NEWRY & MOURNE AREA PLANS

3.1 In terms of housing provision, the dominance and strategic importance of the main settlements of Newry and Downpatrick within their respective districts was recognised in the Settlement Strategy of each Plan. In addition to land zoned for housing, the urban areas defined within the development limits of the main and local towns contained significant areas of unzoned or white land. In both Plans, the housing objectives (see below) were to identify sufficient land for new housing in the main and local towns to provide a choice of housing sites in convenient locations to support a range of dwelling types to meet different housing needs, and to protect the character of existing residential areas. A small amount of land was also zoned in villages and smaller settlements in order to provide options and allow flexibility.

3.2 The following are the key housing objectives from the respective extant plans:

Ards & Down Area Plan 2015:

- to facilitate sustainable patterns of growth and development throughout the Plan Area ;
- to promote Newtownards and Downpatrick as main towns within Northern Ireland and to strengthen their role as the major administrative, trade, employment and residential centres within the plan area;
- to allocate land for additional housing development over the plan period in accordance with the strategic objectives and guidelines contained in the RDS relating to managing future housing growth, the distribution of housing and the drive for greater housing provision within existing urban areas;
- to facilitate integration between land use and transportation in order to reduce congestion and the need for car journeys and to encourage a shift to more sustainable modes of transport, particularly walking, cycling and public transport;

BNMAP 2015 Plan objectives are:

- to facilitate sustainable patterns of growth and development throughout the Plan Area ;
- to promote Banbridge and Newry as main hubs within Northern Irelandand;
- to promote Warrenpoint as a local hub
- to allocate land for additional housing development over the Plan period in accordance with the strategic objectives and guidelines contained in the RDS;
- to facilitate integration between land use and transportation in order to reduce congestion and the need for car journeys and to encourage a shift to more sustainable modes of transport, particularly walking, cycling and public transport;

3.3 Within most of the designated villages, it was anticipated that demand for development would be limited and primarily for housing and in keeping with the size and character of the settlement. Both Area Plans also designated small settlements based on a number of specified criteria. It was envisaged that these would be suitable for the development of small groups of houses and single dwellings. The scale of development was expected to be commensurate with the character of the settlement.

3.4 The Annual Housing Monitor provides an overall picture of the amount of land that has been developed on zoned housing land. The Tables below (1-6) provide details of the zoned land uptake and zoned area remaining in both council areas main settlements up until 2013. They also detail the potential housing yield from live planning permissions on unzoned lands within the main settlements.

Table 1: Zoned Housing Land Uptake 2013 – NMD City and Towns

Settlement	Total Area (ha)	Area Developed	Area Remaining
Newry City	106.02	24.73	81.29
Downpatrick *	137.92	42.51	95.41
Warrenpoint	26.67	8.07	18.6
Newcastle	51.07	38.11	12.96
Kilkeel	34.82	8.41	26.41
Ballynahinch	86.76	33.86	52.90
Newtownhamilton	2.72	1.24	1.48
Crossmaglen	15.37	2.98	12.39
Total District (City/Towns)	461.35	159.91	301.44

*Downpatrick figures do not include Phase 2 Zoned Housing Lands.

Table 2: Zoned & Unzoned Housing Land Uptake & Yield 2013 – NMD City & Towns

Settlement	Zoned Area Developed (ha) and Unit Yield		Zoned Area Remaining (ha) and Potential Unit Yield		Unzoned Area Developed (ha) and Unit Yield		Unzoned Area Remaining Undeveloped with Approval (ha) and Potential Unit Yield		Total Land Developed (Zoned & Unzoned) and Unit Yield		Total Land Remaining (Zoned & Unzoned) with Approval (ha) and Potential Unit Yield	
	Area (ha)	Yield	Area (ha)	Pot. Yield	Area (ha)	Yield	Area (ha)	Pot. Yield	Area (ha)	Yield	Area (ha)	Pot. Yield
Newry City	24.73	643	81.29	1912	158.92	3111	51.97	1220	183.65	3754	133.26	3132
Downpatrick *	42.51	670	95.41	1828	62.92	876	20.96	400	105.43	1546	116.37	2228
Warrenpoint	8.07	185	18.6	395	70.61	1249	43.3	157	78.67	1434	61.9	552
Newcastle	38.11	564	12.96	253	37.01	941	16.18	461	75.12	1505	29.14	714
Kilkeel	8.41	223	26.41	529	26.73	507	12.63	305	34.78	730	39.04	834
Ballynahinch	33.86	520	52.91	1082	13.83	340	5.40	208	47.19	860	58.3	1290
Newtownhamilton	1.24	33	1.48	41	3.69	70	3.45	97	4.93	103	4.93	138
Crossmaglen	2.98	69	12.39	268	12.5	123	1.99	36	15.48	192	14.38	304
Total District (City/Towns)	159.91	2907	301.45	5227.82	385.71	7217	155.88	2884	545.25	10124	457.32	9192

Source: 2013 Housing Monitor Reports.

*Downpatrick figures do not include Phase 2 Zoned Housing Lands.

3.5 Within NMD, some 106 hectares of land were zoned for housing in Newry City of which 23% has been developed, with approximately 81 hectares remaining (Tables 1&2). Within Downpatrick 160 hectares of land are zoned for housing which is to be released in two phases (Phase 1 & Phase 2). To date, no Phase 2 housing lands have been released. Of the 138 hectares of Phase 1 housing land, only 43 hectares (31%) have been developed. Markedly, in Newcastle 51 hectares have been zoned for housing and 75% of this has already been developed. While in Crossmaglen, of the 15 hectares zoned for housing only 19% has been developed (Table 5 & 6) .

3.6 However, in terms of delivering new housing, the new local development plan is required to take into account the number of houses built within the RDS period i.e. from 31st March 2008 rather than an examination of zoned housing land uptake since a Plans' adoption. This is explored further under Section 6.0 – Accommodating Housing Growth.

4.0 A profile of Characteristics of the Housing Stock in Newry, Mourne and Down Districts

4.1 Planning has a role in providing for a mixture of tenures, housing types and providing access to affordable housing. Therefore, a profile of existing stock in terms of tenure, type, affordability, occupancy and unfitness needs to be considered.

4.2 As reported in the Population and Growth Paper, the rate of population growth between 2001 and 2011 in the NMD Cluster was above the NI average of 7.45%. The population of the Newry & Mourne district increased between 2001 and 2011 by 14.27% and Down by 9.25%. Notably, the number of households has increased more rapidly over the same period - the number of households in Newry & Mourne increased by 19.5% to 35031 and by 7.36% to 26,206 in Down. This is due to a trend towards smaller household sizes with the average household size decreasing between 2001 and 2011 from 2.97 to 2.82 in Newry & Mourne and from 2.86 to 2.62 in Down. In 2011, households occupied by 1-2 persons accounted for approximately 56% of all households in Down compared to 43% in 2001. Between 2001 and 2011, the proportion of 1-2 person households in Newry & Mourne rose from 40% to 51%. This trend for smaller households and an increase in the number of houses needs to be taken into account when planning for future housing stock.

4.3 It should be noted that in 2001, only 16% of households in Down District were located in Downpatrick, compared to 35% of households in Newry & Mourne District locating in Newry City.

Table 3: NMD Population and Household Distribution in 2001

		Newry and Mourne District		Down District	
		Popn.	Households	Popn.	Households
Main City/ Town or Hub	Popn	27433	10314	10316	3690
	(%)	31.51%	35.18%	16.16%	16.53%
Local/Small Towns	Popn.	15445	5862	12808	5358
	(%)	17.74%	20%	20.06%	23.99%
Villages	Popn.	9231	3498	17342	5599
	(%)	10.60%	11.93	27.14%	25.08%
Rural Remainder	Popn.	34949	9640	23380	7682
	(%)	40.14%	32.89	36.63%	34.4%
TOTAL	Total Popn.	87058	29314	63828	22329

Source - NISRA

4.4 The proportion of households in 'other urban settlements' i.e. local towns and villages also differs between the two districts with these settlements in Newry & Mourne making up almost 32% of households compared to almost 50% in Down. The number of households in the Rural Remainder (small settlements & the countryside) are similar, with with 33% in Newry & Mourne and 34% in Down (Table 3). The figures also serve to illustrate the dominance of Newry City within its district compared to Downpatrick and the importance of the network of small towns and villages in both Districts in serving a large scattered rural population.

Housing Tenure

4.5 The 2001 Census recorded that most of the houses in NMD were owner occupied and these figures were above the NI average (Table 4). Newry & Mourne and Down Districts had a lower than average proportion of social housing. The proportion of NMD privately rented & other dwellings (10.13%) is slightly above the NI average (9.19%).

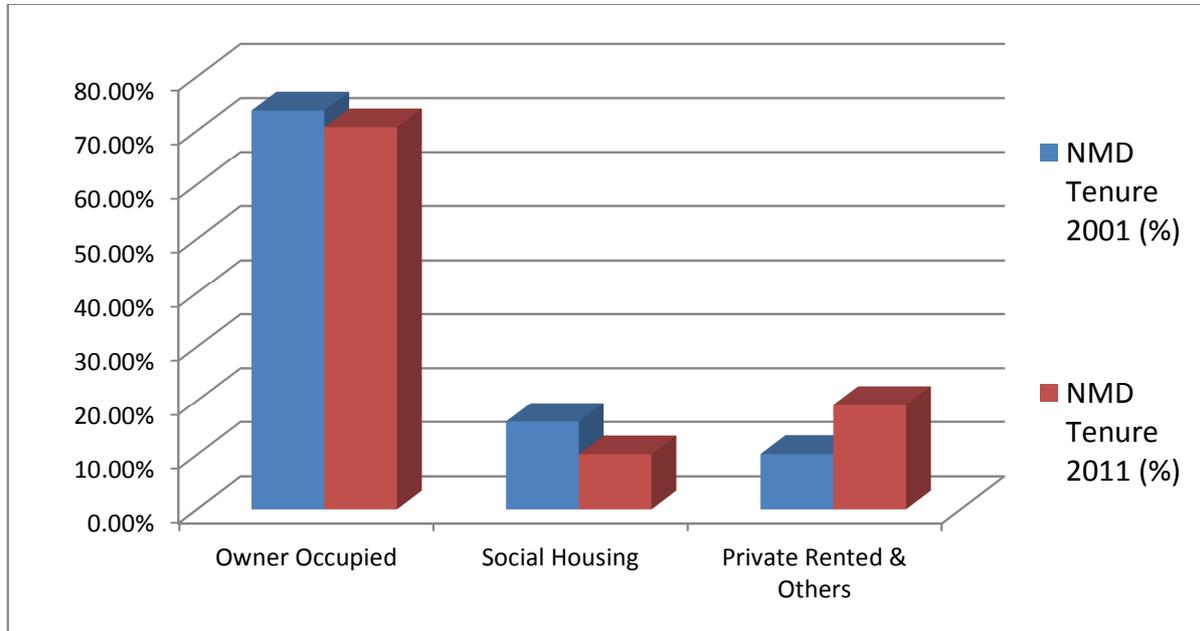
4.6 The 2011 Census reveals that the proportion of owner occupied dwellings within both Councils has fallen slightly in line with the NI trend. The proportion of social housing within NMD has fallen considerably between 2001 and 2011 (16.11% to 10.07%) and the proportion of private rented & other dwellings (ie 'Other' includes employer of a household member and relative or friend of a household member) has risen significantly during this period (10.13 % to 19.26%), which is consistent with the regional trend (Figure 1).

Table 4: NI & NMD Housing Tenure (2001 & 2011)

Location	No. / Year	Owner Occupied	Social Housing	Private Rented & Others	Total Households
N. Ireland	No (2011)	474,751	104,885	123639	703,275
	2011 (%)	67.51%	14.91%	17.58%	
	2001 (%)	(69.60%)	(21.21%)	(9.19%)	
NMD	No (2011)	43,277	6,165	11,795	61237
	2011 (%)	70.67%	10.07%	19.26%	
	2001 (%)	(73.76%)	(16.11%)	(10.13%)	

Source: Census 2001 & 2011 figures.

Figure 1: Change in NMD Housing Tenure 2001-2011



- 4.7** NISRA suggests that the key drivers in the increased demand for private rented accommodation are likely to have been: inward migration from EU accession countries; housing affordability issues associated with the mid-2000s upsurge in Northern Ireland house prices; and the particularly adverse impact on the Northern Ireland housing market of the post-2007 economic downturn, which has seen a marked reduction in property values, risk aversion among mortgage lenders and reduced confidence among prospective house purchasers, and, as a result, many households electing to rent rather than buy.

Housing Types

- 4.8** The mix of housing types has also changed slightly between 2001 and 2011 in NMD with a small increase in the proportion of detached dwellings and slight falls in the proportion of semi-detached dwellings, terraced dwellings and flats. In 2011, Newry & Mourne (47.35%) and Down (49.46%) districts had a higher than NI average (37.04%) proportion of detached dwellings (Table 6). 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, there has been a small decrease in the proportion of detached dwellings between 2001 and 2011. In 2011, the proportion of semi-detached dwellings within Newry & Mourne (31.04%) was well above the NI average (27.79%) with Down much lower (22.41%). The proportion of semi-detached dwellings has increased between 2001 and 2011 in both districts

which is at odds with the downward regional trend. In 2011, the overall NMD proportion of terraced dwellings (17.9%) is much lower the NI average (25.08%). The proportion of flats within NMD has risen slightly between 2001 and 2011 and remains notably below the NI averages.

Table 5: NI & NMD Households by Type (2001)

Area	Detached	(%)	Semi Detached	(%)	Terraced	(%)	Flats	(%)	Other*	(%)	Total
NI	230406	36.77	174781	27.89	169433	27.04	42830	6.83	9208	1.47	626658
NMD	25095	48.95	13832	26.78	10044	19.45	2388	3.72	752	1.46	52111

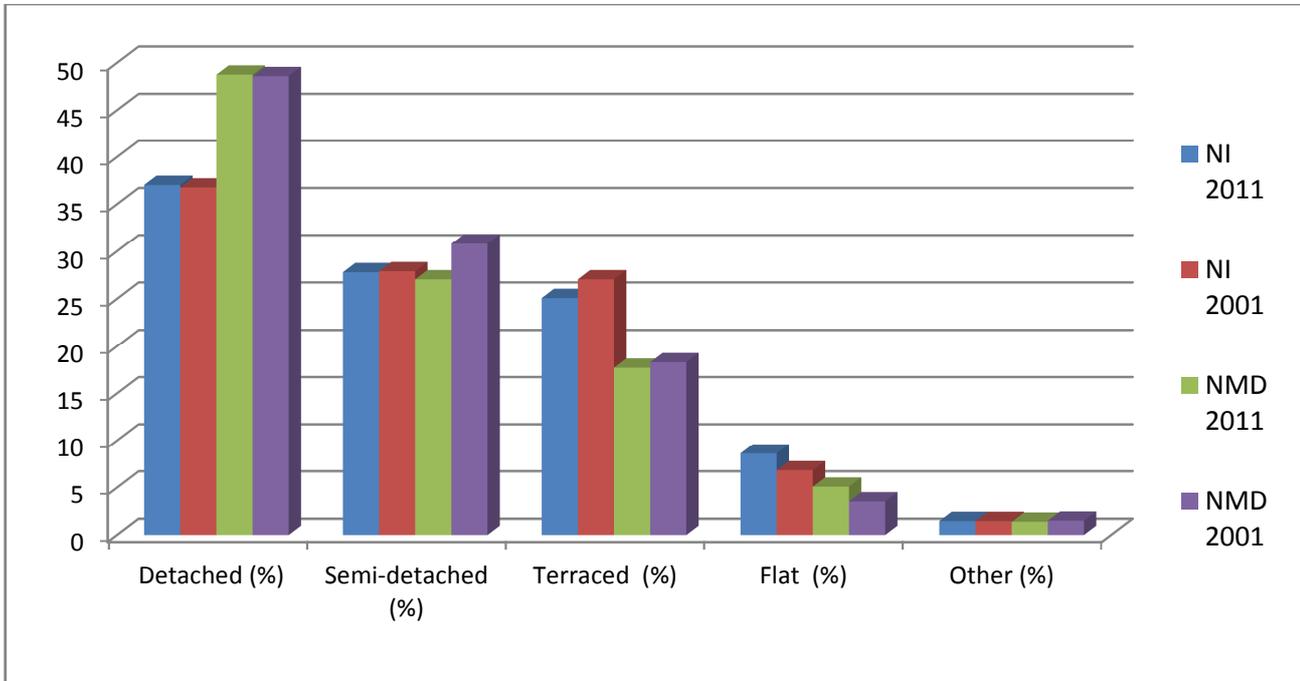
Source: NISRA - Census 2011 * Other includes caravan, mobile or temporary structure or shared dwelling

Table 6: NI & NMD Households by Type (2011)

Area	Detached	(%)	Semi Detached	(%)	Terraced	(%)	Flats	(%)	Other*	(%)	Total
NI	277132	37.04	207904	27.79	187678	25.08	64518	8.62	11003	1.47	748235
NMD	31525	48.26	17826	27.29	11697	17.9	3363	5.15	907	1.39	65318

Source: NISRA - Census 2011 * Other includes caravan, mobile or temporary structure or shared dwelling

Figure 2: NI & NMD Change in Household Type (2001-2011)



Second Homes

4.9 In relation to second homes, the most recent reliable statistics available are provided by the 2001 Census which shows second home ownership in Down District at 1.90% and Newry & Mourne District at 0.86% of total households. This is slightly higher than the NI average (0.76%) but significantly below the levels of second home ownership in Fermanagh (2.14%), Coleraine (6.34%) or Moyle (8.40 %) which are also popular tourist locations. A more recent study into second homes was carried out by the NIHE in 2008 (Second homes in Northern Ireland, Growth, Impact & Policy Implications) However, the information gathered for this study did not detail levels of second home ownership within NI LGDs to allow comparison.

Social Housing and Affordability

4.10 A gap in market provision can occur if house prices rise beyond that which is affordable. Affordability is determined by price, average incomes and access to borrowing and it remains an issue for first time buyers. In June 2014, the DOE published Draft Planning Policy Statement (PPS 22): Affordable Housing for public

consultation which sets out draft planning policy for securing developer contributions towards affordable housing.

4.11 Since 2001, the Housing Executive has published an affordability index developed in partnership with University of Ulster to provide an evidence base for how changes in the housing market were affecting first-time buyer's ability to enter the market. Following a review in 2013, this affordability index has been refined and now uses the concept of an Affordable Limit (AL) to capture the ratio of the maximum allowable loan to income and assumes that the maximum monthly income which can be dedicated to repaying the mortgage is 35 per cent.

4.12 The emerging findings indicate that affordability over the period 2010-2012 has improved across most housing market areas, particularly Newry, Down and Banbridge where the percentage of affordable homes for first time buyers was 37% in 2012 compared to only 21% in 2010. Similarly, in Armagh & Craigavon, the percentage of affordable homes for first time buyers was 42% in 2012 compared to only 23% in 2010. There has been less of an improvement in the percentage of affordable homes for first time buyers in the Belfast area (See Table 11).

Table 7: NI Housing Market Areas Payment Affordability (2010-2012)

Housing Market Areas	2010		2011		2012	
	Afford Gap (£)	(%) Unafford	Afford Gap (£)	(%) Unafford	Afford Gap (£)	(%) Unafford
Newry, Down & Banbridge	-5,602	79	8,274	71	16,408	63
Armagh & Craigavon	-4,228	77	8,634	69	19,739	58
Belfast	-8,629	78	8,167	69	3,820	73

Source: Northern Ireland Housing Market Review & Perspectives 2014-2017

4.13 Although there have been significant reductions in house prices everywhere since 2007, affordability remains an issue for first time buyers who continue to experience difficulties in securing mortgages. Falling household incomes and an increasing level of unemployment have an impact on the housing market and the ability of first time buyers to enter the market. The private rented sector therefore remains very important.

4.14 When examining affordability, it is important to note that planning cannot control house prices which are primarily influenced by factors such as interest rates and the affordability of lending. Therefore, affordability in both urban and rural areas and

meeting the needs of young people, single parents, migrant workers, and the needs of the elderly is addressed through the provision of social housing. The Banbridge/Newry & Mourne Area Plan (BNMAP) 2015 addresses social housing need within those two districts as directed by the NIHE. BNMAP 2015 introduced Housing Zoning Key Site Requirements to ensure a minimum number of social housing units were delivered in line with the NIHE Housing Needs Assessment. However, the Ards & Down Area Plan 2015 does not address social housing need as it did not zone social housing and therefore provision is dealt with through the development management process and prevailing regional planning policy.

4.15 The NIHE waiting list can be utilised to determine the pressure for social housing in an area. In Newry & Mourne District, 23.4% of those categorised as being in “housing stress” were accommodated in 2014, compared to almost 37.5% in Down District (Table 12). Over both Districts, only 16.19% of those who applied for social housing (waiting list) were allocated housing. This shows there is a significant demand for additional social housing provision across NMD.

4.16 In Newry & Mourne District, 43% of those in housing stress were single whereas in Down District the figure was 50.3%. Across both districts, a significant number of those remaining in housing stress were comprised of small families and older people, indicating a need for smaller housing units.

Table 8: NIHE Stock & Housing Applicants on Waiting List in March 2014

District	NIHE Housing Stock	Waiting List Applicants	Number in Housing Stress & (%)		Total Allocations
NMD Total	5403	3657	2034	55.6%	592
Newry and Mourne	3038	2040	1213	59%	284
Down	2365	1617	821	50.8%	308

Source: - NIHE – Newry & Mourne and Down District Housing Plans 2014-2015

4.17 Social housing need is also met by Housing Associations. The Census 2011 indicates that social housing stock (NIHE and housing associations) accounts for 3,590 dwellings in Newry & Mourne, and 2,572 dwellings in Down. These 6,162

social dwellings represents 10.06% of the NMD overall total housing stock which is considerably less than the Northern Ireland average figure of 14.9%.

4.18 Social housing needs are influenced by affordability of housing, accessibility to finance, job/income status and family circumstances. NIHE based the most recent annual Housing Needs Assessment (HNA) on the March 2014 waiting list. Newry & Mourne currently requires 919 units with the bulk of the need (almost 60%) located in Newry City (545 units) with a lesser degree in Warrenpoint and Crossmaglen (Appendix 3). Similarly Down District requires 640 dwellings with almost 55% across the towns of Downpatrick (85 units), Ballynahinch (110 units) and Newcastle (150 units). Full NIHE District Housing Need Assessment details are provided in Appendix 4.

Specialised Housing Need

4.19 People present themselves as homeless for many reasons, the casual factors of which may include marriage/house sharing breakdown, family/relationship disputes, financial pressures and unsuitability of accommodation. NIHE, Housing Associations and other agencies are responsible for providing temporary accommodation for homeless people, Travellers as well as the provision and allocation of “supported housing”, which also provides rehabilitation for those who are elderly or disabled.

Table 9: NMD Levels of Homelessness 2009-2013

LGD	Year	Total Number Presented	Awarded Full Duty Status*	
			No.	(%)
Newry and Mourne	2009/2010	742	343	46.22%
Down		525	267	50.8%
Newry and Mourne	2013/2014	767	402	52.41%
Down		523	283	54.1%

Source Newry & Mourne and Down District Housing Plans 2014-2015 (NIHE) * Statutory Homeless

4.20 The number of people presenting themselves as homeless between 2009/2010 and 2013/13 in Newry and Mourne District has increased by 6.19%, and increased by 3.3% in Down District (Table 9). No social housing need has currently been identified for Travellers in Down District (NIHE). The third Comprehensive Traveller Needs Assessment is due for completion (in 2014) following which a new five year Traveller

Accommodation Programme will be developed. Within Newry & Mourne District, a supported housing and traveller accommodation zoning (0.44ha) was included within the Banbridge/Newry & Mourne Area Plan 2015 at Father Cullen Park, Bessbrook.

- 4.21** NIHE assists vulnerable people through its “Supporting People” programme offering long term support (sheltered accommodation and homes for life) and short term support (temporary accommodation).

Vacancy and Unfitness Levels

- 4.22** In order to translate the increase in households into a need for new housing units, account needs to be taken of vacancy levels and unfitness rates. The housing stock of an area includes occupied, vacant and unfit dwellings, which all influence the need for additional housing stock.
- 4.23** Apart from new-builds not yet occupied, properties may be empty for a number of reasons. With the collapse of the housing market in current times, some may be pending re-sale or re-letting. Some may be unfit for habitation or are pending repair or improvement whilst others may be second homes not permanently occupied. These properties are currently out of use and therefore reduce the supply of available housing. In order to address this, DSD in partnership with NIHE launched in September 2013 a new five year Empty Homes Strategy and Action Plan aimed at bringing empty homes back into use. It is estimated that there are around 32,000 empty homes across Northern Ireland.
- 4.24** Although the House Condition Survey 2011 does not provide vacancy rates at district level. However, it does distinguish between urban and rural areas and whilst the overall regional vacancy rate is 7.2% of total housing stock, the rate in rural areas (defined as small rural settlement and isolated rural) is 12.4% compared to 5.1% for district towns. The Census 2011 reported that there were 1,914 empty dwellings in Newry & Mourne District, and 2,167 empty dwellings in Down District representing 5.1% and 7.6% respectively of the total housing stock compared to a NI average of 6.0%. Although these figures do not distinguish vacant from second/holiday homes, it is considered reasonable to assume that the rates are similar. Therefore, obviously there is scope to bring some of these vacant dwellings into use to contribute to the housing stock.
- 4.25** In 2009 the regional average of unfitness was 2.4% which was an improvement on the 2006 levels of 3.4%. However, the unfitness level in NI increased to 4.6% in 2011 reflective of the current economic climate, the higher rate of vacancy, particularly in the private sector, and the reduced availability of home improvement grants (NIHE). Newry & Mourne and Down’s unfitness rates for 2006 were 5.3% and 2.7% respectively. However, in 2009 the proposed new council area Newry, Mourne and Down District had an overall level of unfitness of 2.9% of dwellings. This is similar to the regional rate of 2.4% in 2006. It has not been possible to compare these findings

with those from the House Condition Survey 2011 which do not detail findings by LGD. The 2011 NIHE House Condition Survey does confirm that the level of unfitness has fluctuated between 2001 (4.9%), 2006 (3.4%), 2009 (2.4%) and 2011 (4.6%). Further, it states that the average rates of unfitness are higher in rural areas, particularly in isolated rural areas, which depopulation may part explain. The 2011 NI rate of unfitness was marked for vacant dwellings which were 51.2% unfit.

- 4.26** In 2011, the proportion of vacant dwellings within NI recorded as unfit was 51% (28,000) compared to 44% (14,000) in 2001 demonstrating a clear link between unfitness and occupancy levels. In general there are more unfit dwellings in rural areas than urban areas and particularly in more isolated areas.

Conclusions

- 4.27** In relation to tenure, type, affordability, occupancy and unfitness, it can be concluded that:-
- there is a need to provide smaller house types e.g. two-bedroom houses;
 - the private rented sector does not require planning intervention other than the control of Houses in Multiple Occupation;
 - social housing can be addressed through the development management process provided there is a strategic policy in the local development plan to facilitate this; and
 - unfitness can be addressed through the provision of policies on the renovation and improvement of dwellings.

5.0 The Need for Additional Housing Stock

5.1 The RDS Housing Growth Indicators for 2008-2025 have been set at 9,600 dwellings for Down district, whilst Newry & Mourne has been allocated 11,200 dwellings. When projected further on a pro-rata basis to 2030, the figures are 12,424 dwellings in Down and 14,494 dwellings in Newry & Mourne. This gives a total NMD allocation of **26,918** dwellings for 2008-2030.

5.2 To examine whether this is acting as a constraint on growth, an examination has been undertaken using two methodologies based on past growth rates and household projections as follows:-

- (i) For the 10-year period between the 2001 and 2011 censuses, the number of households in NMD grew from 51,643 to 61,237 (increase of 9,594) representing a 18.6% growth rate. If this growth rate is applied to the period 31 March 2008-31 December 2030 (RDS date-Plan End=22.75 years), the number of additional households created could be **21,826** which is 5,092 units below the projected HGI figure.
- (ii) Alternatively, taking NISRA's population projections for NMD (2008-2023 & 2012-2037) and estimating the average NMD household size using the NISRA 2008-23 household projections (NISRA updated LGD household data is not released until March 2015). These figures, which take account of population growth, a falling average household size and the changing age structure of the population, suggest the number of households in NMD could increase by approximately **19,734** households between 2008 and 2030 (Table 14). This figure is more than 7,000 units below the projected HGI figure.

5.3 Both methods suggest that the allocated HGI figure is well above the expected growth and that Newry & Mourne and Down is not being constrained by the RDS housing growth indicator. The NISRA 2008 household projections also predicted that the total number of households in Newry & Mourne and Down in 2011 would be 62,400, which is higher than the actual 2011 census figure (61,237). It is anticipated that when the 2012-based settlement populations and household projections are made available (due for release in March 2015), these are likely to indicate lower levels of expected growth, taking into account the 2011 Census results. The NI regional figures for the period 2012-2062 have already been released and show lower projected population figures than the 2008-23 NISRA projections. Considering the provision and the reasonable expectation that populations will not grow as fast as originally forecast, it can be concluded that the HGI figure is adequate to meet future NMD housing needs.

Table 10 – NI & NMD Household Projections (2008-2030)

Area	2008 * Households	2030 ** Households	Projected Increase 2008-2030	Projected Household (%) Increase 2008-30
NI	688,700	862,276	173,576	25.2
NMD	59,400	79,134	19,734	33.22

Source: - NISRA population projections. <http://www.nisra.gov.uk/demography/default.asp47.htm>

* 2008 Household figures from NISRA 2008-23 projections.

** 2030 Household figures from NISRA 2012-37 projections.

6.0 Accommodating Housing Growth

Options for Allocating Housing Growth Housing Growth Indicators

- 6.1** As stated in the RDS, 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, account must be taken of the roles and functions of each settlement; the hubs should be given the primary focus for growth; small towns and villages should be consolidated and revitalised in their role as local service centres; and the need to sustain rural communities living in smaller settlements and the open countryside should be recognised.
- 6.2** Thus, how housing should be allocated across the settlement hierarchy should be based on an agreed settlement growth strategy which will be explored further in the workshops and should aim to:-
- focus major population and economic growth on the main hubs of Newry City and Downpatrick, and consequently these settlements will be the main focus for major new housing development;
 - provide balanced growth in the local /small towns in order to sustain, consolidate and revitalise them;
 - maintain villages as important local service centres to meet the daily needs of the rural area;
 - provide opportunities for individual dwellings or small groups of houses in the open countryside, small settlements or dispersed rural communities in order to sustain rural communities.
- 6.3** Although it is not possible at present to consider the precise allocation for any given settlement, it is reasonable to consider how housing should be apportioned across the various types of settlements taking into account regional policy, existing household levels and the existing or agreed settlement growth strategy. This will be further explored at a workshop with members. To aid discussion, three options are identified (Tables 11&12) using the HGIs as projected to 2030, (i.e. 14,494 for Newry & Mourne and 12,424 for Down).

These options are:

- Option 1 – this maintains the ‘status quo’ in each district being based on the proportion of households living in the main town, local towns, villages and countryside at the time of the 2001 Census;
- Option 2 – this maintains the ‘status quo’ in each district being based on the proportion of population living in the main town, local towns, villages and countryside at the time of the 2001 Census;
- Option 3 - this represents a focus on the main hubs reflecting the RDS direction to focus major population growth on the main hubs of Newry City and Downpatrick;

In all three options, the proportions for the local towns and villages remain similar, reflecting the need to sustain, consolidate and revitalise these settlements.

Table 11: Accommodating Housing growth in Newry & Mourne District

NMDC	Option 1		Option 2		Option 3	
	(Reinforce existing settlement household proportions)		(Reinforce existing settlement population proportions)		(Apportion lesser majority of growth to existing larger settlements as per RDS direction)	
Settlement Category	(H/hold%)	Units	(Pop %)	Units	(%)	Units
Newry City	35.18	5098.99	31.51	4567.06	40	5797.60
Local Towns	20	2898.80	17.74	2571.24	25	3623.50
Villages	11.93	1729.13	10.6	1536.36	12	1739.28
Rural Remainder (Small Settlements & Countryside)	32.89	4767.08	40.14	5817.89	23	3333.62
Total	100	14,494	100	14,493	100	14,494

Table 12: Accommodating Housing Growth in Down District

DDC	Option 1		Option 2		Option 3	
	(Reinforce existing settlement household proportions)		(Reinforce existing settlement population proportions)		(Apportion high majority of growth to existing larger settlements as per RDS direction)	
Settlement Category	(H/hold%)	Units	(Pop %)	Units	(%)	Units
Downpatrick *	16.53	2053.69	16.16	2007.72	40	4969.60
Local Towns	23.99	2980.52	20.07	2493.50	25	3106.00
Villages	25.08	3115.94	27.14	3371.87	20	2484.80
Rural Remainder (Small Settlements & Countryside)	34.4	4273.86	36.63	4550.91	15	1863.60
Total	100	12,424	100	12,424	100	12,424

*Downpatrick figures do not include Phase 2 Zoned Housing Lands.

- 6.4** If Option 1 is pursued, it would not satisfactorily achieve the objective of the RDS to focus growth on the main hubs. Option 1 which relates to the existing % of households within the settlements would result in continued high growth in the countryside rather than sustaining rural community needs.
- 6.5** Similarly Option 2, would not satisfactorily achieve the objective of the RDS to focus growth on the main hubs. Option 2 which relates to the existing % of population within the settlements would result in continued high growth in the countryside rather than sustaining rural community needs at a level even higher than option 1.
- 6.6** Option 3 reflects the RDS direction to focus major population growth on the main hubs, revitalising local towns & villages and sustain small settlements and the countryside. The share to the countryside may of course alter depending on whether any adjustments are made to existing settlement hierarchies.
- 6.7** Once a figure has been allocated for housing in the countryside, an element can be “planned for” through the designation of small settlements or dispersed rural communities and, for the remaining land outside of these, it can be managed through rural planning policy. Apportioning more or less of the HGI to the main towns will impact on the proportion that is allocated to the countryside and Members need to decide what is an appropriate level of housing allocation for the rural area and a rural policy to manage it. This will be discussed later in the paper.

Housing Land Availability in the Settlements

6.8 Having looked at the options for allocating housing across the existing settlement hierarchy, it is necessary to examine how much land is available in the settlements. In terms of delivering new housing, planning is required to take into account the number of houses built within the RDS period rather than an examination of zoned housing land uptake since a Plans' adoption. Prior to 1st April 2008 when the new HGIs took effect, it is estimated that between 1st January 1999 and 31st March 2008, 10,633 dwellings were built in Newry & Mourne District with an estimated 2605 dwellings built in the open countryside. In Down District, some 8911 dwellings were built with an estimated 1014 dwellings built in the countryside (Table 18). The period up to the end of March 2008 reflects the period of high building activity and annual build rates before the current economic recession.

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Table 13: Housing Completions in the RDS period 01/01/99-31/03/08 (9.25 yrs)

No of units built in period 01-01-1999 to 31-03-2008	Newry & Mourne District	Per Annum Build Rate	Down District	Per Annum Build Rate
Main City/ Town	3470	375	1438	155
Local Towns	2306	249	2081	449
Villages	1993	215	3969	429
Total Urban Settlements (City/towns/ villages)	7769	840	7488	810
Small Settlements	259	28	409	44
Countryside*	2605	282	1014	110
Total Rural (Small Settlements & Countryside)	2864	310	1423	154
District Total	10,633	1,150	8,911	963

*Source: Annual Housing Monitor - *Figures for countryside are an estimate based on the average of the number of full and reserved matters applications approved for rural dwellings between 2004 and 2014 in both districts x assumed 90% completion figure.*

Table 14: Housing Completions in the RDS period 01/04/08-31/07/13 (5.33yrs)

Settlement	Newry & Mourne		Down	
	Built in RDS period	Potential Remaining (2013)	Built in RDS period	Potential Remaining (2013)
Main Town ***	286	3132	108	2228
Local Towns	153	1828	284	2004
Villages	174	1616	328	1865
Total Urban Settlements (City/ towns/ villages)	613	6,576	720	6,097
Small Settlements**	30	728	79	414
Countryside*	249		324	
Total Rural (Small Settlements & Countryside*)	279	728**	413	414**
District Total	892	7,328	1,133	6,511

*Source: Annual Housing Monitor - *Figures for countryside are estimates based on LPS average build rate figures for 2010-2013 projected to period 310308-310713.*

***Figure relates to small settlements only.*

****Downpatrick figures do not include Phase 2 Zoned Housing Lands.*

6.9 From April 2008 to July 2013, aligning with the start of the new RDS HGI figures and the period of 'global recession', building rates fell dramatically to unforeseen levels. This unique period is not considered a true reflection of the average build rates (ie annual build rates of only 54 units in Newry City and 20 units in Downpatrick) that may be expected in NMD from 2015-2030. Therefore, it is considered more reasonable to use the build rates from 1st January 1999 to 31 March 2008 (Table 18) as a means of estimating the remaining years of housing land supply as of July 2013. In line with this fall in urban building, the level of building in the countryside over the same period has also fallen dramatically. These issues are considered further later in the paper.

6.10 Planning permissions and undeveloped zonings at July 2013 provide opportunities for 7,328 dwellings in Newry & Mourne District. Of this figure, 3,132 are in Newry City and the remainder distributed across the local towns, villages and small settlements. In Down District, there is potential to accommodate 6,511 dwellings, of which 2,228 are in Downpatrick and the remainder in the local towns, villages and small

settlements (Table 19). These figures may be a conservative estimate as an average density of 15-25 houses per hectare of land has been used to estimate the potential yield where the number of units has not been specified. Given the trend towards higher densities above 25 dwellings per hectare, the actual potential yield may be greater. In addition, there may be other land in the settlements which may be suitable for housing development such as whiteland, infill or opportunity sites which currently does not have planning approval but could potentially yield additional dwelling units. This potential would be assessed as part of an Urban Capacity Study undertaken during plan preparation.

- 6.11** Based on average build rates from 1999-2008 (Table 18), the existing housing land capacity at August 2013 (Source: DOE Northern Ireland Housing Land Availability Summary Report 2013 - Tables 20 & 21) could potentially provide just over an eight year supply of housing land in Newry City and approximately a fourteen year supply of housing land in Downpatrick town (not including Phase 2 housing lands). This figure may appear adequate for Downpatrick for the Plan period (2015-30), but it does not provide for the level of growth that the RDS considers appropriate which aims to 'put the hubs as the primary focus of growth both in terms of economic development opportunities and population'. However, there is a need to further explore these figures through urban capacity studies and consideration of the NISRA household and settlement information due for release in 2015. In relation to the main hubs, Newry City currently has the capacity (potential remaining July 2013) to provide approximately 37% of the total district HGI (14,494) to 2030 whilst Downpatrick town can provide only 18% of the total district HGI (12,424) to 2030 (Table 19).
- 6.12** Across the four local Newry & Mourne towns, there is just over a seven year supply of housing based on the build rates from 1999-2008, whilst the two Downpatrick local towns contain less than a nine year supply. In the villages, there is less than an eight year supply in Newry & Mourne District and just over a four year supply in Down District. The overall remaining potential (Table 19) in Newry & Mourne and Down districts equates to a shortfall of approximately 7200 and 5900 units below the HGI allocation (see paragraph 2.6). The combined RDS HGI allocation for the three NMD Districts of 26,918 units also assumes an element of rural housing.
- 6.13** Thus, there appears to be a significant shortfall in relation to available housing land required to 2030 (HGI) within the hubs of Newry City/Downpatrick and the Newry & Mourne/Down local towns. This may require additional housing land to be zoned to provide options within the plan period in line with RDS direction. There appears to be a reasonable supply of housing land to grow the villages in line with the RDS objective of consolidating and revitalising these service centres within Newry & Mourne district but a shortfall in Down. (Tables 13 & 14.) In the following tables (Tables 15 & 16), dwellings built to date during the RDS period have been taken into account and the difference between each HGI growth option and the remaining potential provides an indication of whether there is an over (+) or under (-) supply of

housing. with each district and the the extent to which this can meet the needs of the growing population to 2030.

6.14 If Option 1 (households %) is chosen, there would be a shortage of land across the Newry & Mourne settlements, particularly in Newry City and the local towns. If Option 1 is chosen in Down, Down local towns and villages remaining potential is below the HGI allocation whilst Downpatrick has sufficient provision. However, this option does not satisfactorily meet the RDS objective of focusing growth on the hubs whilst revitalising the small towns, villages and sustaining the countryside. In Option 2 (population %), the provision within the Down District settlements is similar to that in Option 1 whilst Newry City & the Newry & Mourne local towns show a significant shortfall. Option 3 (majority to hubs as per RDS direction) which is most compatible with RDS direction shows Newry City to have a substantial shortfall (2666 units) and Downpatrick Town a significant shortfall (2742 units). The Newry & Mourne and Down villages also show small shortfalls.

Given that the figures are indicative at this stage and an Urban Capacity Study has not yet been undertaken, it would be wrong to assume that there is no developable land remaining in the towns or other settlements. It may therefore be possible to accommodate new housing within the existing development limits through better utilisation of urban land and housing densities.

Within this RDS HGI allocation, an allowance will also have to be made for dwellings in the countryside. The level of expected rural housing will depend upon the rural policy direction adopted by the Council.

Table 15: Newry & Mourne District Housing Land Supply across the settlement hierarchy

Settlement category	Built in RDS (310308-310713)	Potential remaining (2013)	Difference between HGI Option 1 (household %) and potential +/-	Difference between HGI Option 2 (population %) and potential +/-	Difference between HGI Option 3 (majority to hubs as per RDS direction) and potential +/-
Main City	286	3132	5099 (-1967)	4567 (-1435)	5798 (-2666)
Local Towns	153	1828	2899 (-1071)	2571 (-743)	3624 (-1796)
Villages	174	1616	1729 (113)	1536 (80)	1739 (-123)
*Small Settlements	30	728	4767 (-4039)	5818 (-5090)	3334 (-2606)
Settlements Total	642	7304	14494 (-6964)	14494 (-7188)	14494 (-7191)

Table 16: Down District Housing Land Supply across the settlement hierarchy

Settlement category	Built in RDS (310308-310713)	Potential remaining (2013)	Difference between HGI Option 1 (household %) and potential +/-	Difference between HGI Option 2 (population %) and potential +/-	Difference between HGI Option 3 (majority to hubs as per RDS direction) and potential +/-
Main Town**	108	2228	2054 (174)	2008 (220)	4970 (-2742)
Local Towns	284	2004	2981 (-977)	2494 (-490)	3106 (-878)
Villages	328	1865	3116 (-1251)	3372 (-1507)	2485 (-620)
*Small Settlements	79	414	4274 (-3860)	4551 (-4137)	1864 (-1449)
Settlements Total	799	6511	12424 (-5914)	12424 (-5914)	12424 (-5689)

*Small Settlement: Figure for difference between options 1-3 and potential include element for rural.

**Downpatrick figures do not include Phase 2 Zoned Housing Lands.

6.15 A number of individual settlements such as Newtownhamilton and to a lesser degree Crossmaglen and Ballynahinch appear to have a generous supply of land for residential development within existing development limits. This may lead to excessive provision, if this land were to be comprehensively developed for high density housing. Thus there will be a continued need to carry out regular reviews to control housing supply with possible courses of action:

- a) reduce development limits;
- b) introduce further controls on residential development on unzoned or 'white' urban land;
- c) phase housing lands;
- d) reinforce and/or revise the policies to ensure that any housing development is 'in scale and character' with that site and settlement.

Rural Housing

6.16 There is currently no rural housing monitor undertaken to assess the quantum of houses being built in the countryside and therefore an estimate can only be made

based on the number of applications approved. Approvals for rural houses are currently considered under the policies set out in Planning Policy Statements (PPS 21: published in final form June 2010), the aim of which has been to manage growth in the countryside to achieve development in a sustainable manner that meets the essential needs of rural communities. Although it will be a matter for the new Council to bring forward its own strategy for development in the countryside after April 2015, this must reflect the aim, objectives and policy approach of the Strategic Planning Policy Statement (SPPS).

- 6.17** Prior to 2006 and the introduction of PPS 14, it has been estimated that between 90% and 95% of dwellings approved in rural areas were completed or at least started within 5 years¹. With the high volume of speculative proposals in anticipation of a revised rural policy, subsequent economic decline and changes in the housing market, it is likely that the number of starts and completions of rural houses has declined, mirroring the situation within urban housing areas and therefore more permissions may remain unimplemented. Nevertheless, it should be noted that between April 2008 and March 2014 (the current RDS period), 1,312 rural dwellings have been approved in Newry & Mourne and 430 approved in Down District (Table 23).

Table 17: NMD Planning Approvals for Rural New and Replacement Single Dwellings (Full and RM) 2004-2014

	Newry & Mourne		Down	
Year	Total Number Approved	Approval Rate	Total Number Approved	Approval Rate
2004-05	385	98%	151	99%
2005-06	431	90%	233	92%
2006-07	359	84%	270	93%
2007-08	642	92%	134	97%
2008-09	428	100%	70	97%
2009-10	269	93%	75	97%
2010-11	176	78%	54	89%
2011-12	202	85%	77	83%
2012-13	152	84%	76	95%
2013-14	85	89%	78	99%
Total	3129	90%	1218	94%

Source: DOE Planning Statistics.

6.18 The challenge for the Plan is to allocate an appropriate level of housing for the rural area and a planning policy to manage it. It is therefore useful to compare the impact of PPS 21 to the rural planning policy of A Planning Strategy for Rural Northern Ireland (1993) by examining build rates. Prior to 2006-07 (when PPS 21's predecessor PPS 14 was introduced), single dwellings (Full & RM) including replacements were approved at an average rate (2004-2007) of 218 per year in Down and 392 per year in Newry & Mourne. If this pre-PPS14/21 policy still remained in operation or reapplied, then it is reasonable to expect that some 3270 houses could be approved in Down district over the next 15 years and a further 5880 in Newry & Mourne. Cumulatively, this could mean that around 9150 dwellings could be built in the countryside. This would represent 34% of the projected HGI for the new council area.

6.19 In contrast, the number of approvals has generally declined since 2010 and in the last two years (2012-2014) - when it might be said that PPS 21 has 'bedded in' - the average number of dwellings approved per year in Newry & Mourne and Down has

been 119 and 77 respectively. Assuming these rates remained constant over a 15-year plan period, there could be 1,785 additional dwellings in the countryside in Newry & Mourne and 1155 in Down. A cumulative total of 2940 rural dwellings within NMD.

- 6.20** Alternatively, as there are currently 2410 farms in Newry & Mourne and 1136 farms in Down (DARD 2013), it may be assumed that one additional house per farm could be built every 10 years under current PPS 21 policy. This could yield a total potential of more than 5,300 dwellings in the countryside over the plan period (ie $2410+1136=3546 \times 1.5$ dwellings under PPS21= potential maximum yield of 5319 units). However, it is recognised that not all farms will want or need a dwelling and a number have already utilised their 1 dwelling every 10 years. Under current rural policy, there are also opportunities for infill houses as well as meeting housing needs based on personal and domestic circumstances.
- 6.21** It is clear that PPS 21 has had a constraining influence on rural house building in contrast to the rural policy applied under A Planning Strategy for Rural Northern Ireland (1993). It is equally clear that a return to a more liberal rural policy would not allow the Plan to meet the objective within the RDS to grow the hubs. Taking into account permissions already granted since March 2008 coupled with what might be approved up to 2030 if PPS 21 continued in its present form, there would appear to be sufficient to meet future rural housing needs. However, we do not know how many of the Full and RM approvals post-2010 are reflective of the high number of outline permissions granted in previous years and how many of these will actually be built. It is also assumed that building rates are lower than previous years and are more likely to constitute 'starts' rather than completions. Therefore, it may be more appropriate to consider the PPS 21 figure for the 15 year period alone which would allow scope for some flexibility such as introducing Dispersed Rural Communities.
- 6.22** Members therefore need to consider if the present policies in PPS 21 need adjustment in order to meet local circumstances, bearing in mind that the scope of such adjustment must take account of the RDS direction and HGI allocation.

7.0 CONCLUSIONS & KEY FINDINGS

7.1 The purpose of this paper has been to provide base line information on the housing needs of the new Council area to assist in informing the Community Plan and to consider how future housing growth should be apportioned across settlements and the countryside. In compiling this paper, it is recognised that this evidence can be supplemented by the Community Plan process.

7.2 A summary of the key findings are as follows:-

- (i) social housing need is currently higher in Newry & Mourne (in particular Newry City) than in Down, although the three Down towns show sizeable need too;
- (ii) to address future social housing needs, the local development plan should facilitate a reasonable mix and balance of housing tenures and types including smaller house types e.g. one & two-bedroom houses;
- (iii) unfitness can be addressed through the provision of policies on the renovation and improvement of dwellings;
- (iv) the HGI for Newry & Mourne-Down for the period 2008-2030 is greater than NISRA's household projections (based on 2008 household data) and is therefore considered sufficient for the plan period;
- (v) Newry City, Downpatrick Town and the NMD local towns have a significant housing shortfall. Therefore housing supply across the settlement hierarchy is not sufficient to meet future housing needs over the plan period;
- (vi) rural housing continues to make a contribution to overall housing supply albeit at a reduced rate since the introduction of PPS 21.

7.3 Members are invited to give their views on the proposed options for allocating housing across the settlement hierarchy including the implications for the countryside and the need for appropriate rural policies tailored to local needs.

PAPER APPENDICES:

- **APPENDIX 1: 2013 Housing Monitor NMD Settlement Status**
- **APPENDIX 2: NMD NIHE Social Housing Need 2013-2018**
- **APPENDIX 3: Newry & Mourne, Down Settlement Hierarchy**
- **APPENDIX 4: Ards & Down Area Plan 2015 Phase 2 Housing Lands (Down)**

APPENDIX 1: 2013 Housing Monitor NMD Settlement Status



NORTHERN IRELAND LANDUSE DATABASE HOUSING SITES

HOUSING COMPLETIONS ON MONITORABLE SITES IN
DOWN DISTRICT AS OF 1 AUGUST 2013

Settlement	Units Complete	Remaining Potential	Area Developed	Area Remaining
ANNACLOY	33	19	3.7	1.7
ANNSBOROUGH	139	269	6.4	11.8
ARDGLASS	242	381	11.8	19.5
BALLYALTON	29	23	1.5	1.0
BALLYHORNAN	34	39	1.9	2.4
BALLYKINLAR	85	26	4.3	1.6
BALLYNAHINCH	860	1290	47.2	58.3
BALLYNOE	14	1	2.5	0.1
BRYANSFORD	13	24	0.8	1.5
BURRENBRIDGE	24	1	1.6	0.0
CARRICKINAB	3	1	1.0	0.3
CASTLEWELLAN	581	133	28.0	6.1
CHAPELTOWN	2	19	0.3	0.8
CLONVARAGHAN	49	1	1.9	0.1
CLOUGH	64	17	2.9	0.9
CONEY ISLAND	5	6	0.6	0.6
CROSSGAR	413	209	22.6	9.8
DARRAGH CROSS	46	16	2.0	1.4
DERRYBOYE	4	5	0.3	0.7

This report excludes Phase 2 Housing Land and Phase 2 Development Land

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DOWNPATRICK	1546	2228	105.4	116.1
DRUMAGHLIS	1	0	0.5	0.0
DRUMANESS	260	82	12.1	7.0
DRUMAROAD	17	42	1.0	1.6
DUNDRUM	548	42	19.8	2.1
KILCLIEF	37	17	2.3	1.4
KILCOO	77	56	3.3	2.2
KILLOUGH	178	128	7.6	4.6
KILLYLEAGH	537	298	21.6	14.1
KILMORE	23	7	1.1	0.3
LOUGHINISLAND	11	24	1.9	1.5
MAGHERA	14	3	0.8	0.2
NEWCASTLE	1505	714	75.1	29.1
RAHOLP	40	36	2.3	1.5
SAINTFIELD	1043	187	59.7	9.2
SAUL	4	2	0.4	0.4
SEAFORDE	48	72	1.5	3.8
SHRIGLEY	15	12	0.6	1.1
SPA	78	19	7.1	2.4
STRANGFORD	114	62	4.7	5.8
District Totals	8736	6511	470.2	322.6

This report excludes Phase 2 Housing Land and Phase 2 Development Land

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NORTHERN IRELAND LANDUSE DATABASE HOUSING SITES

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HOUSING COMPLETIONS ON MONITORABLE SITES IN
NEWRY AND MOURNE DISTRICT AS OF 1 AUGUST 2013

Settlement	Units Complete	Remaining Potential	Area Developed	Area Remaining
ALTNAMACKAN / CORTAMLET	0	1	0.0	0.1
ANNALONG	192	287	11.6	11.7
ATTICAL	18	52	0.9	3.3
BALLYHOLLAND	105	66	4.7	2.5
BALLYMADEERFY	0	19	0.0	0.8
BALLYMARTIN	81	43	4.2	3.8
BARNMEEN	28	42	1.3	1.8
BELLEEK	97	13	5.1	0.5
BESSBROOK	157	391	7.9	10.3
BURREN	258	146	15.0	10.4
CAMLOUGH	151	130	8.6	6.8
CREGGAN	14	43	0.6	2.2
CROSSMAGLEN	192	304	9.5	14.4
CULLAVILLE	0	18	0.0	1.0
CULLYHANNA	55	59	3.1	2.7
DORSEY	4	1	0.3	0.1
DRUMINTEE	9	85	0.8	3.3
DUNNAVAL / BALLYARDLE	4	82	0.5	4.1
FORKHILL	90	66	4.0	4.5

This report excludes Phase 2 Housing Land and Phase 2 Development Land

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GLASSDRUMMAN / MULLARTO	0	42	0.0	1.7
GLASSDRUMMAN CO ARMAGH	39	2	1.6	0.2
GLEN	0	59	0.0	2.0
GREENCASTLE	8	1	0.4	0.0
HILLTOWN	378	122	19.0	9.1
JERRETTSPASS	0	38	0.0	1.8
JONESBOROUGH	59	83	2.8	3.6
KILKEEL	730	834	35.1	39.0
KILLEEN	6	18	1.2	0.8
KILLOWEN/ BALLYEDMOND	15	18	1.2	2.0
LISLEA	39	6	1.3	0.4
LONGSTONE	30	6	1.0	0.4
LURGANARE	50	2	1.6	0.1
MAYOBRIDGE	228	91	11.3	3.5
MEIGH	135	69	7.2	3.0
MULLAGHBANE	100	35	6.9	1.7
MULLAGHGLASS	1	0	0.1	0.0
NEWRY	3754	3132	183.7	133.3
NEWTOWNCLOGHOGE	22	50	1.3	2.1
NEWTOWNHAMILTON	103	138	4.9	4.9
ROSTREVOR	418	122	18.0	7.1
SHEEPTOWN	31	4	2.1	0.6
SILVERBRIDGE	3	27	0.7	1.2
TULLYHERON	1	1	0.3	0.3

This report excludes Phase 2 Housing Land and Phase 2 Development Land

WARRENPOINT	1434	552	78.7	24.7
WHITECROSS	48	28	1.9	0.8
District Totals	9087	7328	460.4	328.5

APPENDIX 2: NMD NIHE Social Housing Need 2013-2018

Social HNA 2013-2018 in Newry & Mourne

Settlement:	5 Year Projected Social Need:
Main Urban Centre	
Newry City	545
Local Towns	
Crossmaglen	55
Kilkeel	15
Newtownhamilton	0
Warrenpoint	110
Villages	
Annalong/Longstone/Glassdrumman	4
Attical	0
Ballymartin	0
Bessbrook/Derramore	30
Burren	4
Camlough	30
Cullyhanna	4
Forkhill	15
Hilltown	10
Jonesborough	0
Mayobridge	15
Meigh	15
Mullaghabawn	10
Rostrevor	30

The Commons/Ballyholland	2
Small Settlements	
Belleek	2
Creggan	0
Culloville	4
Drumintee	0
Granite View	0
Greencastle/Ballyardle/Dunnaman	0
Killeen	2
Lurganare/Barnmeen	4
Mullaghglass	0
Newtowncloghue	10
Silverbridge	3
Whitecross	0
Total	919

Source Newry and Mourne and Down District Housing Plans 2014-2015 (NIHE)

Social HNA 2013-2018 in Down

Settlement:	5 Year Projected Social Need:
Main Urban Centre	
Downpatrick Town	85
Local Towns	
Ballynahinch	110
Newcastle	150
Villages	

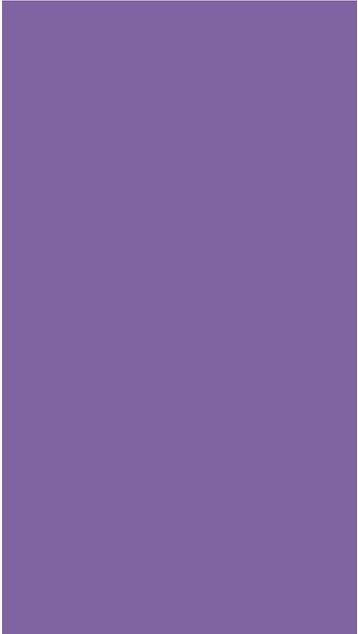
Annsborough	0
Ardglass	30
Ballykinler	0
Castlewellan	75
Clough (inc Dundrum & Seaforde)	25
Crossgar	30
Drumaness	7
Killough	20
Killyleagh	45
Saintfield	40
Shrigley	2
Strangford (inc Kilclief)	15
Spa	3
Small Settlements	
Burrenbridge	0
Kilcoo	3
Kilmore	0
Total	640

Source Newry and Mourne and Down District Housing Plans 2014-2015 (NIHE)

APPENDIX 3: NMD Settlement Hierarchy (existing)

Settlement Hierarchy	Newry, Mourne & Down
Main City/Towns	<p>Newry City Downpatrick</p>
Local Towns	<p>Crossmaglen Kilkeel Newtownhamilton Warrenpoint/Burren</p> <p>Ballynahinch Newcastle</p>
Village	<p>Annalong Attical Ballyholland Ballymartin Bessbrook Camlough Cullyhanna Forkhill Hilltown Jonesborough Mayobridge Meigh Mullaghabane Rostrevor</p> <p>Annsborough Ardglass Ballykinler Castlewellan Clough Crossgar Drumaness Dundrum Killough Killyleagh Saintfield Shrigley</p>

	Strangford The Spa
Small Settlements	Altnamacken/Cortamlet Ballymadeerfy Ballymoyer Barnmeen Belleek Creggan Cullaville Dorsey Drumintee Dunaval/Ballyardle Glasdrumman (Co.Armagh) Glasdrumman/Mullartown Glen Greencastle Jerrettspass Killeen Killowen Lislea Longstone Lurganare Mullaghglass Newtowncloghoge Silverbridge Tullyherron Whitecross Annacloy Ballyalton Ballyhornan Ballynoe Bryansford Burrenbridge Carrickinab Chapeltown Clonvaraghan Coney Island Darragh Cross Derryboye



Drumaghlis
Drumaroad
Kilclief
Kilcoo
Kilmore
Loughinisland
Maghera
Raholp
Saul
Seaforde
Ballyward*
Dechomet*
Finnis*
Leitrim*

APPENDIX 4: Ards & Down Area Plan 2015 Phase 2 Housing Lands (DDC)

SITE REF	LOCATION	AREA	YIELD @ 25 DPH	
Downpatrick Town Phase 2 Lands* (not included in Housing Monitor figures)				
DK 11	Flying Horse Road, Downpatrick	3.2	80	
DK 12	Between Ballyhornan Road and Struell Wells Road, Downpatrick	13.03	325.75	
DK 13	South East of Struell Wells Road, Downpatrick	6.21	155.25	
TOTAL Phase 2 Lands *		22.44	561	

OVERALL POTENTIAL PHASE 2 DOWNPATRICK TOWN 2015 YIELD (URBAN & RURAL) = 561 UNITS @ 25 DPH.

* No Phase 2 Lands are included in Housing Monitor figures as their development is subject to the completion of the transportation infrastructure associated with Phase 1 Lands. To date this development has not occurred.

Newry, Mourne & Down Development Plan Team
Downshire Civic Centre
Ardglass Road, Downpatrick
www.planningni.gov.uk

Tel:03002007830 (NI) or 02891513101