Your Ref: My Ref: Dealt with by: John Hiles Planning Policy Typetalk: 18001 01748 827025 16 May 2013

Simon Berkeley The Planning Inspectorate c/o Emma Lundberg Programme Officer Swale House Frenchgate Richmond DL10 4JE

(By email)

Dear Mr Berkeley

The interim mid-2011 CLG household projections could, if taken at face value, justify the reduction of our District housing target from 180 to 80 homes per annum. Our demographic consultants have advised that the only way that they can satisfactorily comment on the utility of the mid 2011 interim projections is to create a brand new projection for the District using more up to date data than included in the interim mid 2011 projections. The estimated cost of this is expensive and has an estimated timescale of 6 weeks. The resultant projections would be compatible with the first post Census full 25 year projections expected in Spring (SNPP) and Summer (Household) 2014.

The interim mid 2011 CLG Household projections are dependent on the ONS mid 2011 interim household projections. Both sets of projections are for a ten year period and not the usual 25 year period. This reflects certain methodological compromises made in both projections to tackle the incomplete availability of the 2011 Census results. This is recognised by CLG:

"However, there are limitations in the use of these projections, as these are demographic and trend-based only and do not take into account any policy changes that may affect actual household formation in future. Therefore users of the household projections should consider the projections alongside other local information available that may help interpret better those projections in the particular context of the use of the data." (page 7)

2011-based Interim Household Projections : Quality Report. CLG April 2013 We face some choices:

- Should we take the interim projections at face value?
- Should we spend money for a set of projections that will be generally compatible with the full projections due in a year's time at no cost?

Our pragmatic answer to these questions is that we propose to retain the target of 180 homes per annum. This is effectively a balanced policy led projection that promotes local growth in excess of the latest, interim, national projections. It has also been agreed with our neighbours and built into infrastructure delivery expectations. Land supply is sufficient and we have a flexible approach to the use of land (Core Policy CP4) that should give the development industry the tools to bring sites forward. The only barrier to meeting this level of demand is the current state of the housing market.

Representations criticising the housing target for being too low, relied on either the unrealistic argument that the annualised affordable housing need should be delivered directly through development or relied on the flawed mid 2008 sub national projections. The modifications made in the Richmondshire Scrutiny of Population Projections (2012) have been built into the subsequent ONS projections. However, none of these representations identified any development options that could satisfy their proposed levels of development. In fact, most sites submitted with representations present little difficulty to the strategy as drafted.

Our proposed approach contains a risk. The interim projections indicate lower growth as a result of prevailing trends. In other words the target of 180 homes may well be a high target given current conditions. We could attempt to propose a lower target of around 150 homes a year based on current local development trends, but this would be easily criticised in the absence of a detailed projection. The cost of further detailed projections is disproportionate to our resources and one we have already borne in striving to deal with problematic national population projections of our local area. In maintaining the target of 180 homes, we recognise that we will need to monitor its achievement closely and modify our strategy accordingly should robust evidence accrue. However, we are not yet in that position and neither are the national interim projections.

Best wishes

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