



THE HOME BUILDERS FEDERATION

Date: 9th December 2013
Consultee ID:

Richmondshire Local Plan: Core Strategy Examination

Further Written Statements: Matter 3 - Housing

The HBF would like to submit the following further comments in respect of Matter 3: Housing.

In accordance with paragraph 21 of examination letter (C007) the matters referred to in this further written statement relate solely to the matters raised in our representations. For clarity the HBF made representations on 27th September 2013 to the Development Target Review consultation.

3.1 The Plan aims to deliver 3,060 new homes between 2011 and 2028, representing an annual average of 180 homes. The submitted Plan also proposes an additional 1,440 homes for military service families at Catterick Garrison.

a. Is the 3,060 supported by reliable evidence?

The revocation of the RS means that the Council must identify its own objectively assessed housing need. The evidence upon which this should be based is indicated within the NPPF, draft NPPG as well as the PAS publication '*Ten key principles for owning your housing number (July 2013)*' and includes household projections, the Strategic Housing Market Assessment (SHMA), neighbouring authorities and the economic ambitions of the authority. It is noted that the Council has sought to undertake these processes and this is encouraging. The HBF concerns lay with the interpretation of the figures, which are discussed below;

- **Household projections**

The '*What Households Where*' website, an independent and free to use resource presenting Government population and household projections indicates a net housing requirement, for Richmondshire, of 3,984 over the plan period. This equates to 234 dwellings per annum. The website relies upon the 2008 based household projections. In contrast the 2011 interim household projections identify a need for 802 dwellings (2011 to 2021) equating to 80 per year. The 2011 household projections are only interim and do not represent the full plan period. They are also reflective of a recessionary

period and are therefore likely to under-represent actual need due to a significant number of concealed households.

- **Strategic Housing Market Assessment (SHMA)**

Whilst the use of household projections provide a useful starting point in determining a housing requirement they do not identify the whole picture. The government places significant emphasis upon the SHMA in identifying;

*‘the **scale** (our emphasis) and mix of housing and the range of tenures that the local population is likely to need over the plan period’ (NPPF paragraph 159).*

The 2011 SHMA (TE008) identified an annual shortfall of 260 affordable dwellings per annum over 5 years. The need for affordable housing is in excess of the proposed housing requirement of 180 dwellings per annum, indicating that the housing requirement will not meet the full objectively assessed needs of market and affordable housing as required by the NPPF.

The SHMA (TE008) also examines a number of housing growth scenarios including one based upon the Sub-national Population / Household Projections which, unsurprisingly, indicates similar results to the ‘*What Homes Where*’ toolkit indicating an average annual requirement of 238 dwellings between 2008 and 2026 (figure 6.5). In addition a natural change scenario is modelled, however as this represents nil migration the HBF considers this to be a hypothetical scenario. Finally the SHMA 2011 also models the impact of economic growth based upon the forecast economic growth for the area from the Regional Econometric Model. This scenario indicates a requirement for 285 net new dwellings per year.

The 2011 SHMA work was later followed up by a further paper entitled ‘*Richmondshire Scrutiny of Population Estimates and Projections*’ in 2012 (TE012). This provided revised scenarios using revisions to the migration scenario from the revised mid-year estimates released in 2010. The revised migration-led scenario is the one upon which the council has based its housing requirement. It is, however, notable that this scenario takes no account of economic forecasts or the impact of the recession upon migration rates. It is therefore argued that the Council’s chosen requirement is likely to under-estimate the needs of the area.

Given the sizeable affordable housing need and the NPPF requirement to ‘boost significantly’ the supply of housing the HBF considers the proposed housing requirement to be too low and would recommend a figure closer to the employment led scenario tested within the SHMA.

b. Is the Richmondshire Scrutiny of Population Estimates and Projections (2012) ‘migration led revision’ the most appropriate projection upon which to base the Plan?

No - see response provided above.

c. What regard has been had to the Government's household interim projections for 2011 to 2021?

I refer to the comments made within our representations upon this issue. In addition I would also point to the recent comments made by the inspector into the South Worcestershire Local Plan on the use of the interim projections (paragraphs 29 and 30);

'It seems very likely that the 2011-based projections are, at least in part, reflecting the fact that household formation, especially among the 25-44 age-groups, has been suppressed in the years since the global financial crisis of 2008 by a combination of reduced supply and lower effective demand. Some evidence for this can be found in the 2011 Census, which simultaneously demonstrated that there is a higher population and a lower number of households than had been expected from previous projections. At a national level, the Census found about 375,000 fewer households in 2011 than had been predicted in the 2008-based household projections.

A recent Town and Country Planning Association paper argues persuasively that just under half that reduction is attributable to suppressed household formation due to the state of the economy and the housing market⁹. The corollary of this is that, under the more favourable economic conditions expected in future years, there will almost certainly be a return to higher rates of household formation. Thus it would be unwise to rely on the household growth rates shown in the 2011-based projections persisting throughout the Plan period.' (Inspector's interim conclusions on the stage 1 matters, 30th October 2013).

d. The Council has proposed modifications in light of the MoD's 2013 Army Basing Plan. What degree of certainty accompanies the Army Basing Plan? Considering these factors, is 500 now the most appropriate level of homes to provide for military service families? Is the Core Strategy sufficiently flexible to adapt if present MoD plans should alter during the plan period?

No comment.

3.2 Does the spatial distribution of housing set out in Spatial Principle SP4 and shown in Table 3 of the Plan meet objectively assessed needs? How has the particular percentage split between the sub-areas been arrived at and what justifies this distribution?

No comment.

3.3 Is there sufficient land available to deliver the new homes planned for?

No comment.

3.4 Is there a supply of specific deliverable sites sufficient to provide five years worth of housing, with an additional buffer of 5% moved forward from later in the plan period to provide choice?

No comment.

3.5 In the light of paragraph 47 of the NPPF, should the buffer be 20%? Are there sufficient deliverable sites to provide a 20% buffer?

The Council's most recent Authority Monitoring Report 2011/12 (AMR) (PP019) identifies in figure 3 (page 9) that the Council has only achieved its housing requirement of 200 net units per annum (as set by the now revoked RSS) twice over the last 8 years. This being in 2005/6 and 2011/12, the average number of net housing completions over this period has been 136 units per annum. This is evidently consistent under-delivery as defined by NPPF paragraph 47 and therefore the Council should provide a 20% buffer.

3.6 Is there a supply of specific, developable sites or broad locations for growth for years 6 to 10 of the Plan and beyond?

No comment.

3.7 Are there sufficient sites in the right places to deliver the spatial distribution sought by the Plan?

No comment.

3.8 What reliance, if any, is placed on windfall sites in the housing land supply?

The NPPF, paragraph 48, does allow the consideration of windfalls in the 5 year supply but only where local planning authorities have compelling evidence that such sites have consistently become available and will continue to provide a reliable source of supply. The Council do not appear to have included windfalls going forward in their 2013 SHLAA update. This is supported as it will provide a degree of flexibility in achieving the overall housing requirement of the plan should other sites not deliver at the rates envisaged.

3.9 What approach does the Plan take to housing density? How does this reflect local circumstances?

No further comment.

3.10 What proportion of new housing planned for is expected to be on previously developed land? How does the Plan encourage the use of brownfield land?

The plan (Policy CP2) seeks to prioritise the use of previously developed land. Such an approach is contrary to NPPF paragraph 111 which seeks to

'encourage (our emphasis) the effective use of land by re-using land that has been previously developed'. It is therefore recommended that policy CP2 be altered to comply with paragraph 111 by amending the second and third paragraphs of the policy to read;

~~'Development proposals will be expected to prioritise the reuse or adaptation of existing buildings. Where this is not practicable or is shown to be a less sustainable solution, proposals should seek to reuse existing materials, where possible.'~~

Development **will be encouraged to** ~~should~~ utilise previously developed land first (brownfield land), where that land is in a sustainable location, ~~in preference to greenfield sites. The use and development of land will....'~~

It is important that the plan does not stifle sustainable developments coming forward at the earliest opportunity to ensure that the plan can be delivered. This is particularly important given the under-delivery over recent years demonstrated by the AMR.

3.11 Should the expected rate of market and affordable housing delivery through the plan period be illustrated by a housing trajectory in the Plan?

Yes, however, the trajectory should be indicative only and not attempt to phase development.

3.12 How will the Local Plan deliver the new housing envisaged in the Core Strategy? Will land be allocated through future Local Plan documents?

No further comment.

Yours sincerely,

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