



THE HOME BUILDERS FEDERATION

Date: 8th May 2015
Consultee ID: 824627

EAST RIDING OF YORKSHIRE COUNCIL LOCAL PLAN STRATEGY EXAMINATION: POST HEARING SESSION DOCUMENTS

1. The HBF wish to submit the following comments upon the following documents submitted by the Council after the close of the hearing sessions;
 - CD10/11: SHLAA Table 11 Update;
 - CD334: Affordable Housing Background Note;
 - CD343: Affordable Housing Note with HCC; and
 - CD346: 2012-based household projections note

2. In the interests of brevity our comments upon these documents are limited to key issues and are provided in a summary format. They should be read alongside our more detailed comments and statements made upon the submission Local Plan: Strategy, the inspectors matters, issues and questions, our statements made during the hearing sessions, and our comments upon the proposed main modifications. If the inspector requires we would be happy to provide greater detail upon any of the matters discussed within this statement. It should be noted that the HBF considers that the additional information provided by the Council whilst useful in identifying their thought processes does not substantially change the issues raised by ourselves and others during the examination process.

3. The HBF has only commented upon selected documents submitted after the close of the hearing sessions. The fact we have not commented upon a particular item should not be taken as agreement with the points made within the document.

CD10/11: SHLAA Table 11 Update

4. The HBF notes that Table 11 of the 2014 SHLAA update suggests that the five year supply of deliverable housing sites equals 14,948 dwellings or 7.6 years supply, based upon the Council's proposed housing requirement. Whilst the HBF has not undertaken a detailed assessment of the 2014 SHLAA update it is recommended that a degree of caution is utilised when considering the Council's figures. This is because a large percentage of the dwellings identified for delivery do not yet benefit from planning permission, with 64% of the sites being either windfalls or allocated sites. Whilst the HBF does not dispute that such sites will deliver within the five year period, given that the strategy and allocations documents are yet to be adopted, in many

cases planning permission is still required and the lead-in times and build out rates it appears overly optimistic to presume such a high delivery rate will occur from these sources within the first five years.

CD334: Affordable Housing Background Note and CD343: Affordable Housing Note with HCC

5. The 2011 SHMA (CD189) identified an affordable housing need of 1,008dpa (paragraph 7.10) over the next five years to clear the existing backlog and meet future needs. The SHMA further comments that the annual arising affordable housing need, assuming the backlog is cleared, would be 356dpa. If the backlog were to be met over the full plan period an annual affordable housing requirement of 552 dwellings (CD21, Table 1) is needed.
6. Within Table 1 of CD334 the Council identify that a number of Council's have succeeded to have plans found sound despite being unable to meet the affordable housing needs identified within the SHMA. The HBF does not dispute this fact but each of the authorities within the table had its own particular set of circumstances which need to be considered prior to suggesting that not meeting affordable housing needs is a sound approach. This is directly contrary to the NPPF, paragraph 47, which identifies that local authorities should ensure that;

*'...their Local Plan meets the full, objectively assessed needs for market and **affordable housing** in the housing market area, as far as is consistent with the policies set out in this Framework'* (our emphasis)

7. To not meet the affordable housing needs of the area must therefore be robustly justified by local evidence. Interestingly the SHMA (CD189) does not provide any commentary upon the whole Housing Market Area (HMA) which also includes the Hull City Council area. For completeness the Hull SHMA (CD153) identifies an annual need, taking the backlog over the proposed plan period (2013 to 2030) of 338 dwellings per annum. Thus the full affordable housing needs of the HMA equate to 890dpa, if the backlog is met over the respective plan periods. The HBF does not agree with meeting the backlog over the full plan period as this means that current needs may not be met for many years. This is considered contrary to the NPPF.
8. The Council's own viability assessment clearly demonstrates that the affordable housing requirements of East Riding cannot be met utilising the Council's preferred housing requirement (1,400dpa). CD334 concludes that the proposed main modifications which remove the 'cap' in the larger Rural Service Centres and Primary Villages and supporting rural exception sites, minus any losses due to the new thresholds imposed by the recent ministerial statement (November 14) and economic viability issues, will enable the plan to deliver up to 335 affordable dwellings per annum. This is an increase upon the 310 originally anticipated (paragraph 8.2, CD334). This figure does, however, remain short of the newly arising need figure of 356dpa and substantially short of the need plus backlog (1008dpa in five years; 552dpa over the plan period). The net effect is that the backlog will continue to increase and affordability issues will continue to get worse.

9. The reality of achieving 335 affordable dwellings annually must also be considered by reference to the Council’s recent performance. The following table identifies that over the last three years, since the SHMA was produced, the net amount of affordable housing delivered has been substantially below newly arising need and therefore a further increase in the backlog appears likely. This level of delivery also brings into question the likelihood of the Council achieving 335dpa.

Year	Gross affordable housing delivery	Net affordable housing delivery
2011/12	294	280
2012/13	173	105
2013/14	92	28

Source: ERYC AMRs

10. In cases where the Council is unlikely to meet its affordable housing needs the PPG states;

‘The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes’. (ID 2a-029-20140306)

11. The Council’s failure to meet the affordable housing needs of the area must also be viewed in the context of requiring a proportion of the development needs identified for East Riding being delivered in the Hull CC part of the HMA to aid regeneration of the city. Whilst the HBF does not dispute the need to regenerate Hull the effect of this decision will be to reduce the overall amount of affordable housing delivered across the HMA. CD343 clearly identifies that economic viability is far lower in Hull than the majority of East Riding and as such a target of 10-15% affordable housing is suggested. Furthermore even with a requirement of 760dpa Hull CC indicate they will not meet their own affordable housing requirement of 338dpa (page 1, CD343). These two aspects of delivery will only exacerbate the affordable housing issues across the HMA.

12. The HBF therefore firmly believes that the evidence of need suggests that a higher housing requirement should be provided within East Riding to ensure that the affordable housing needs of the area are met.

CD346: 2012-based household projections note

13. The PPG is clear that Household projections published by the Department for Communities and Local Government should provide the starting point estimate of overall housing need ID 2a-015-20140306. The most recent projections, the 2012-based subnational household projections (2012 SNHP), were published 27th February 2015. These projections cover the period 2012 to 2037. For the full HMA area the 2012 SNHP indicate a

lower rate of household growth than the 2011 interim SNHP. These are indicated in the table below;

	East Riding (average annual household change)	Hull (average annual household change)	Full HMA (average annual household change)
2012 SNHP (2012 – 2037)	902	538	1,440
2012 SNHP (2012 – 2029)	999	563	1,562
2011 interim SNHP (2011-2021)	1,342	753	2,095

14. Whilst the above table is useful in comparing the results from the relevant household projections it is important to recognise that they only provide the starting point for assessing objectively assessed needs. In this regard the PPG clearly notes that a number of other factors must be taken into account including past rates of development. The PPG states;

‘The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends. For example, formation rates may have been suppressed historically by under-supply and worsening affordability of housing. The assessment will therefore need to reflect the consequences of past under delivery of housing.’ (ID 2a-015-20140306)

15. East Riding have failed to deliver against their housing requirements for a number of years. The following table identifies the under-supply against the now revoked Regional Spatial Strategy (RSS) housing target for East Riding in the five years preceding the 2012 projections (5 years is utilised as this period has a significant effect upon the trends within the SNHP)

East Riding delivery against housing targets

Year	Net delivery	Housing requirement	Over / under supply
2007/8	1,717	1,150	+567
2008/9	642	1,150	-508
2009/10	414	1,150	-736
2010/11	368	1,150	-782
2011/12	889	1,150	-261

Source: ERYC AMRs

16. Over the five years leading up to 2012 the total under-supply within East Riding amounted to 1,720 dwellings. If the situation in neighbouring Hull is taken into account the situation is significantly worse, with a total under-delivery of 2,666 units in the five years prior to 2012.

Hull CC delivery against housing targets

Year	Net delivery	Housing requirement	Over / under supply
2007/8	544	880	-336
2008/9	276	880	-604
2009/10	-29	880	-909

2010/11	483	880	-397
2011/12	460	880	-420

Source: Hull SHMA, Nov 2013

17. The combined under-delivery across the HMA in the five years preceding the base date of the projections is therefore 4,386 dwellings, greater than two years supply when assessed against the RSS targets. This scale of under-delivery will undoubtedly have had a profound effect upon the 2012 based projections and in line with the PPG an uplift is therefore required.
18. The NPPF and PPG also require economic and market signals to be taken into account prior to arriving at an objectively assessed housing need for the area. The HBF commented upon these issues within our hearing statements and original representations. For brevity these are not repeated here, however, we did conclude that further uplift would be required due to these indicators.
19. Therefore whilst the HBF has not undertaken a detailed assessment of the implications of the 2012 SNHP upon the objectively assessed housing needs for East Riding it is clear that a significant uplift would be required.
20. The HBF concurs with the Council's statements within CD346 that updates to the household projections do not automatically render housing assessments out of date and that economic signals and the aspirations of the authority should be considered in identifying an objectively assessed need and final housing requirement. The HBF does not, however, conclude that the proposed housing target identified by the Council is sufficient to meet the objectively assessed housing needs of the area. Within our comments upon the submission version of the plan and subsequent hearing statements we set out our reasoning for this. The release of the 2012 SNHP does not alter our strongly held view that the proposed housing requirement is insufficient to meet the housing needs of the area.
21. The HBF is aware of the detailed studies undertaken by NLP and Barton Willmore in terms of identifying an appropriate housing requirement for East Riding. Both of these studies support our view that the proposed housing requirement is insufficient to meet the needs of the area, be this at the East Riding level or across the wider HMA.

Matthew Good
Planning Manager – Local Plans
 Email: matthew.good@hbf.co.uk
 Tel: 07972774229