

Date: 10<sup>th</sup> March 2017

Consultee ID: 23

Matter 2

## **FYLDE LOCAL PLAN EXAMINATION**

### **Matter 2 –Objectively assessed housing and economic development needs**

1. The following hearing statement is made for and on behalf of the Home Builders Federation. This statement responds to selected questions set out within Matter 2 of the *Inspector's Matters, Issues and Questions*.
2. The Inspector's Issues and Questions are included in bold for ease of reference. The following responses should be read in conjunction with our comments upon the submission version of the Local Plan, dated 22<sup>nd</sup> September 2016. The HBF has also expressed a desire to attend the examination hearing sessions.

### **Issue 3 - Is the identified objectively assessed housing need (OAHN) soundly based and supported by robust and credible evidence and is it consistent with national policy?**

#### ***Q11. Does the identified Fylde Coast HMA provide a robust and appropriate basis for assessing housing needs?***

3. Yes the HBF considers the Fylde Coast HMA to provide an appropriate basis for assessing housing needs.

***Q12. The SHMA and its Addendums identify the OAN figure for Fylde as a range, based on the 2012-based sub-national household projections (SNHP). The DCLG released its 2014-based SNHP in July 2016. The Council refers to there being only a 1% difference in projected household numbers between the 2012 and 2014-based projections, though this is over slightly different timescales. Further to my initial questions to the Council (EL1.001a), its response (EL1.001b) indicates that the actual increase is less than 1% taking account of the different periods and it is not considered that this has any significant implications for the OAHN. Is this justified by the evidence? Is the use of the 2012-based sub-national household projections as a 'starting point' for identifying the OAHN***

***appropriate? What bearing, if any, would the latest household projections have on the assessment of the OAHN?***

4. The HBF considers that the 2014 based sub-national household projections (2014 SNHP) should be used in preference to their 2012 counterparts. The PPG (ID 2a-016) is clear that wherever possible the most up to date projections should be used. The Fylde Local Plan was submitted for examination on 9<sup>th</sup> December 2016, nearly five months after the publication of the 2014 SNHP. Indeed the consultation upon the publication version of the plan did not occur until a month after the 2014 SNHP were published. The HBF therefore considers that the Council has had adequate time to take account of the 2014 SNHP.
5. Within their response to the Inspector's initial questions (exam ref: EL1.001b) the Council suggest that as the resultant change would be approximately 1% and as such no further action is required. This statement is seemingly made without any consideration of the effect of the change upon the various scenarios used to derive the Council's preferred OAHN figure or any variation in the demographic profile of the two projections. This may, indeed, lead to a greater than 1% increase in the OAHN range. Given that the preferred OAHN is not solely derived from the 2012 SNHP the effects should be investigated.
6. Furthermore in response to the Inspector's question 4 (exam ref: EL1.001b) the Council has provided a table illustrating the difference between the 2012 and 2014 SNHP. This table is, however, considered misleading as it does not adequately demonstrate the difference between the two sets of projections. Within our comments upon the Publication version of the Local Plan we address this issue in table 1. This illustrates a difference of 735 dwellings over the plan period between the two starting points. This is considered a significant change which should be taken into account.
7. It should also be noted that the *Strategic Housing Market Assessment (SHMA) Addendum 2* (exam ref: ED023) concluded that a figure of 370dpa would represent a base level of demographic need (paragraph 5.26). Given the increase between the 2012 and 2014 based SNHP the likelihood is that this base level of demographic need will have increased.
8. The HBF therefore concludes that the 2014 SNHP is the most appropriate 'starting point' and that the identified housing requirement of 370dpa is unlikely to meet the base level of demographic need.

**Q13. Is the OAHN range of figures identified in the SHMA soundly based?**

9. Whilst the HBF considers that the scenarios developed in the SHMA Addendums 1 and 2 (exam ref: ED022 and ED023 respectively) to be generally appropriate these need to be updated to take account of the 2014 SNHP. It is also considered that the OAHN should be set towards the upper end of the range.

**Q14. Does the assessment of OAHN take sufficient account of market signals as well as other market indicators in relation to the balance between the demand for and supply for housing?**

10. The HBF has no further comments at this stage.

**Q15. Has the assessment of OAHN taken account of other factors including vacancy rates and second homes?**

11. The HBF understands these have been taken into consideration.

**Q16. In relation to affordable housing:**

**a. Is the SHMA's methodology for assessing affordable housing needs robust and in line with Government guidance?**

12. The HBF has no further comments.

**a. The Plan recognises that the full amount of affordable housing needed per annum is not deliverable. Has the Council considered the option of a higher housing requirement to assist in delivering more affordable dwellings?**

13. This appears to only have been given a very cursory consideration in paragraphs 143 and 158 of the Council's *Housing Requirements Paper* (exam ref: ED017). There is no consideration of the level of affordable housing delivery required to reduce the overall need and backlog, or what the impact of a higher housing requirement would have upon meeting the affordable housing needs of the area.

14. The HBF consider that a higher housing requirement would be justified to meet a greater proportion of the affordable housing needs. Such an increase would also be consistent with the 2014 SNHP and the economic scenarios identified within the SHMA.

**Q17. Have the needs of particular groups (e.g. the elderly) and types of housing (e.g. private rented, self-build) been satisfactorily assessed?**

15. The HBF has no further comments at this stage.

**Q18. Have employment trends been appropriately taken into account? Is the OAHN aligned with forecasts for jobs growth? (Also see Issue 4)**

16. The HBF does not consider that there is sufficient alignment. The HBF understands that the Council has not sought to align its housing requirement with any of the employment forecasts identified within the SHMA. Neither does it appear to be related to the Employment Land Review which simply refers to previous rates of employment land take-up. Indeed whilst paragraph 162 of the *Housing Requirement Paper* (exam ref: ED017) suggests 370dpa represents an 'optimum balance' it remains unclear how this conclusion has been made.

17. The HBF understands that the Aecom scenario was developed to replicate the 'policy-on' position identified within the 2012 Employment Land Review (exam ref: ED041a). Whilst it is recognised this is a 'policy-on' position it is considered that this would provide alignment between the Council's housing and employment strategies as required by the NPPF (paragraph 158).

18. It should also be noted that the SHMA addendum 2 concludes at paragraph 5.28 that;

*'As the Addendum 1 report concludes the upper end of the range would represent the OAN on the basis of the considered economic position within the Council's evidence base.....'*

19. This would suggest a requirement of 440 to 450dpa represents the correct OAHN for Fylde. This is based upon the 2012 SNHP starting point. I also refer the Inspector to our response to paragraphs 18 to 21 of our comments to the Publication version of the plan.

**Q19. In relation to gypsies, travellers and travelling showpeople, and further to the Council's additional evidence provided (EL1.002) following my initial questions (EL1.001a), what is the objectively assessed housing need up to 2032? Is this new identified need soundly based, consistent with national policy and supported by robust and credible evidence? What implications does this**

***have in relation to the housing requirement for gypsies, travellers and travelling showpeople as set out in Policy H5?***

20. The HBF has no comments upon this issue.

***Issue 4 – Are the objectively assessed economic development needs clearly identified, supported by robust and credible evidence and consistent with national policy?***

21. The HBF refers the Inspector to our comments provided above.

Yours sincerely,

*MJ Good*

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