

# Peterborough Sub-Regional Strategic Housing Market Assessment (SHMA)

## Schedule of Consultation Responses

July 2014



**Rutland**  
County Council



## Peterborough Sub Regional Strategic Housing Market Assessment 2014 - Consultation Responses

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Do you consider that the data presented in the report are clear and understandable?

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**Mr Ron Simpson**

**Comment:** Yes

**LA Response:** Comment noted.

**Taylor Wimpey**

**Comment:** Broadly, yes.

**LA Response:** Comment noted.

**Mrs Angela Cavill-Burch**

**Comment:** Yes. Firstly I note that this report is remitted to provide a robust understanding of housing dynamics to provide an assessment of future needs. For the general population I feel this report has met its remit, but is very "lightweight" in the assessment of the real needs of the elderly and disabled.

**LA Response:** Comment noted. Additional information where it is available has been included in the report.

**Mr Paul Gilding**

**Melton Borough Council**

**Comment:** Yes

**LA Response:** Noted.

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Do you agree with the description of how the Peterborough sub regional housing market area - and the local housing markets within it - operate? Do the findings reflect your understanding and experience of the economy and the housing market?

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**Mr Ron Simpson**

**Comment:** Yes

**LA Response:** Comment noted.

**Taylor Wimpey**

**Comment:** It is recognised that in any housing market area, there will be adjoining areas which have a greater influence on some parts of the area than others. Some of these have been recognised in paragraph 2.10 of the SHMA where reference is made to Melton and East Northamptonshire, presumably in the context of Rutland. However, it is a matter of concern that no reference is made to Corby which has a considerable influence on the housing market in Rutland, not least because many people who live in the county, work in Corby. The continuing demand for housing from this source should be factored into and housing assessment.

**LA Response:** Comment noted, additional information addressing this issue has been included in the report where appropriate.

**Mrs Angela Cavill-Burch**

**Comment:** Pretty accurate

**LA Response:** Comment noted.

**Mr Mark Deas**

**Cambs ACRE**

**Comment:** Strategic housing market areas are in reality an aggregation of local overlapping market areas. The underlying analysis seems robust and logical. The one missing aspect is any reference to urban/ rural issues.

**LA Response:** Additional information on rural housing in the HMA has been included in the SHMA report (Section 9).

**Mr Paul Gilding**

**Melton Borough Council**

**Comment:** Melton Borough Council is pleased to note that the draft Peterborough Sub-Regional Strategic Housing Market Assessment recognises that clear overlaps exist at the edge of the Housing Market Area between Melton and both Rutland County Council and South Kesteven District Council. Melton Borough Council, in partnership with the other seven local authorities in Leicester and Leicestershire, has also commissioned the preparation of a Strategic Housing Market Assessment. The draft first stage version has identified similar overlaps with the Peterborough Housing Market Area. Whilst it is not deemed that these relationships affect the definition of Leicester and Leicestershire as an HMA, they will be considered during plan preparation. On this basis, Melton Borough Council intends to undertake detailed discussions with both Rutland County Council and South Kesteven District Council to engage constructively, actively and on an on-going basis to identify any strategic cross boundary matters in the context of the Duty to Cooperate.

**LA Response:** Comments noted.

**Mr Graeme Law**

**Milton (Peterborough) Estates Company**

**Comment:** It is helpful that the analysis goes beyond individual Local Authority areas, and it is appreciated that housing statistics are most easily available for whole Local Authority areas. However the presentation made it clear that in reality the Peterborough housing market extends well beyond the SHMA area, embracing local villages such as Yaxley and Alwalton and reaching as far into Fenland as Whittlesey. It is regrettable that in the summary document there was no serious attempt to analyse and quantify the impact of this, and address the consequences. It would be a large and unsupported assumption that there will be no impact or consequence. Given the obligation under Planning legislation to consult with adjoining authorities on planning matters, it would be helpful to explicitly note the need for this in places such as Yaxley, Market Deeping and Alwalton.

**LA Response:** The SHMA defines the housing market area in chapter 2; this acknowledges the existence of a relationship between Peterborough and the immediately adjoining parts of Huntingdonshire. However, the SHMA identifies the best fit of existing local authority boundaries in defining the housing market area in recognition of the availability of data primarily at district wide level. Given the strategic nature of the SHMA it is not possible to incorporate data and analysis at a ward level. Paragraph 2.55 acknowledges that Huntingdonshire (and Fenland) are principally part of the Cambridgeshire HMA, thus to avoid the potential for double counting figures from Huntingdonshire are not included within the detailed projections. Market Deeping is in the HMA area. It will be for the preparation of subsequent Local Plans to consider what, if any, impacts there may be as the distribution of housing within LPA areas is developed.

**Broadgate Homes Ltd**

**Comment:** The references to SHDC from para 1.35 to 1.37 should give greater emphasis to Spalding. Planning permission was granted on the 18th May 2012 for the erection of 2250 dwellings at Holland Park, Spalding and related community facilities. Importantly, this includes providing the first leg of the Spalding Western Relief Road. This is identified in the draft SHMA at para 4.54 as infrastructure investment which would support the economy. It should also be noted that as part of the Holland Park development, Broadgate are required to provide a bridge over the Peterborough-Spalding railway line. This will facilitate the closure of a number of level crossings in the town, that in time will facilitate the opening of the Peterborough-Doncaster freight line, also referred to in para 4.54. These investments will support economic growth.

Given the relative population size, the commuting relationship between South Holland and Boston 2010-2011 was stronger than that with Peterborough (para 2.45), then Spalding, which is recognised as a sub regional centre, has a greater degree of containment than the draft SHMA recognises. This leads to the town being central to further housing and economic growth in South Holland.

There seems to be a contradiction in the draft SHMA between Fig 22 on page 60 and para 4.52, where reference is made to the district's strengths in agri-food and logistics activity. Fig 22 forecasts a decline in agricultural activity in South Holland, which Broadgate would query.

The food and logistics sector accounts for about 17% of the South Holland workforce and has withstood the effects of the recession well. The District Council is aware that it needs to encourage employment diversification, but in doing this, would also seek to secure the major employment component in the District.

**LA Response:** Comments noted. Paragraph 4.34 explains the factors on which the econometric forecasts prepared by Experian are based. This makes clear that the forecasts do not take account of local policy based factors, land supply or other influences which might mean that future performance in a particular sector could differ from the past. However, between the 2001 and 2011 Census the number of people employed in agriculture declined by over 20% across the HMA area.

## Larkfleet Homes

### **Comment:** Defining the Housing Market Area

The identification of the Housing Market Area as set out in section 2 of the SHMA is agreed. In terms of the analysis of migration flows the relationship both between Cambridgeshire HMA and London is underplayed.

In previous plans there has been a reliance upon Peterborough to accommodate unmet need from the Cambridgeshire HMA. This relationship is formalised by the Cambridgeshire and Peterborough Joint Strategic Planning Unit which approved the Memorandum of Cooperation – Provision of Additional Housing on 10th May 2013. This states:

"In this regard, it should be noted that the Peterborough Housing Market Area overlaps into Cambridgeshire. Peterborough is the largest urban centre within the travel to work area for the Cambridgeshire sub-region and is a major employment location with good transport links and infrastructure. On the basis of currently available figures, it has a net daily in-commute from Cambridgeshire of around 7,000 people. Peterborough has an up to date Local Plan (Core Strategy adopted in 2011 and a Site Allocations DPD adopted in 2012) with a substantial housing growth target of 25,450 between 2009-26.

Based on this background and engagement between all the local authorities listed in section 2.0, under the Duty to Co-operate, it is acknowledged by the authorities that Peterborough, in its up to date Local Plan, has already accommodated a proportion of the housing need arising in the Cambridge Housing Market Area, and it has been agreed that this proportion could reasonably be assumed to amount to approximately 2,500 homes (i.e. around 10% of its overall housing target)."

This is a clear agreement that some of the housing needs from the Cambridge SHMA should be met in the Peterborough Sub Regional SHMA, but this does not appear to have been addressed in the SHMA.

It is entirely appropriate that as a policy requirement this figure of 2,500 dwellings should be added to the final calculation of Objectively Assessed Need for Peterborough, although there are three questions that arise from this approach:

- a. The 2,500 dwellings forms part of the extant 1,497 requirement (this suggests that the local requirement is some 125 dwellings less i.e. 1,372 dwellings a year).
- b. If 125 dwellings have to be added to the final estimation of objectively assessed need, should this just be added for the period to 2026 or for the longer plan period?
- c. Does the additional 125 dwellings a year need to be added to Peterborough City or can it be dispersed across the wider HMA?

In respect of the evidence base it is noted that in the Population, Housing and Employment Forecasts Technical Report December 2013 SHMA suggest that the Cambridge SHMA has only averaged 3,740 completions a year (table 14 dwelling completions) compared to the future projected need of 4,650 dwellings a year (93,000 dwellings 2011 to 2031 table 33). Given the relationship between the two HMA's this substantial gap between the rate of completions and the future objectively assessed need the provision of just 125 dwellings a year in addition to the objectively assessed need for Peterborough Sub regional HMA appears to be an inadequate response to future under provision. This would suggest at the very least a need for a further 125 dwellings to be added to the objectively assessed need for Peterborough in addition to the demographic based calculations. It also highlights the need for continued cooperation between the two sets of authorities.

London

The importance of London cannot be overlooked in the assessment of housing need within the SHMA. The effect of London is twofold: first is the direct impact on levels of migration and second is the demographic pressure radiating out from the capital in terms of shorter migration movements and their implication for house prices.

It is noted that the Mayor of London is currently contacting local authorities notifying them of the likely consequences of under provision in the capital. This letter highlights that the demand for housing in the capital varies between 49,000 and 62,000 dwellings a year against a plan that seeks to double the recent rate of delivery within the capital

to 42,000 dwellings. The difference between the projections is the assumptions made regarding out migration to other parts of the country. This letter suggests that at the very minimum as the housing markets in the regions start recovering, then the level of migration out of London might revert to its long term trend. The lowest projection of 49,000 dwellings assumes much higher rates of out migration from the capital than the higher projections. As the planned level of provision is actually even lower than the lowest projection the levels of out migration assumed by that projection must be considered to be conservative.

In addition the capital has not delivered dwellings at a rate of 42,000 dwellings a year since the second world war so there is considerable doubt as to whether even this level of provision will be achieved without the Mayor making significant changes to the emerging Further Alterations to the London Plan.

The tables on the next page illustrate the changes to London migration in the preceding decade. This shows a falling off in migration, down from over 2,000 per annum to just 1,380 persons per annum while at the same time there has been an increase in migration from the Peterborough Sub Regional HMA to London. The result of this is that in recent years there has been almost a balance of migration between the HMA and London.

The above charts suggest that the trend at least from 2004 onwards has been for net migration from London to decrease, predominantly but not entirely based upon increased levels of migration into London, accompanied by a smaller decrease in levels of migration out of London.

The advice from the Mayor is that migration is likely to return to long term trend at the very least.

There is a reasonable argument that a return to these past rates would mean a return to a net inflow of almost 900 persons a year which mean an increase of some 800 migrants from the present level.

Looking at recorded levels of all net migration for the HMA and comparing this to the assumptions made in the 2010 and 2011 Sub National Population Projections (SNPP) illustrates that up to 2008 there was a rising level of net in migration into the HMA. It further illustrates that the 2011 SNPP assumptions are for lower levels of migration than the past average.

As both the average and the 2010 and 2011 SNPP are clearly impacted upon by the recession it is a reasonable approach to consider a higher level of net migration in the context of the situation arising from London.

One approach might be simply to add to the net migration in the projections an element of additional migration to reflect the impact of undersupply in London.

The first methodology to be considered would be to add an additional element of migration based upon changes to the total level of migration to reflect the higher levels of migration experienced in the early part of the decade. This would require an additional 508 persons to be added into the modelled migration flows.

An alternative methodology might be to consider the increase in outflows from London calculated by the GLA and using the average proportion of that flow that would come to the HMA calculate the increase in outflows. This would assume that in-flows into the capital remained constant which is unlikely if there is going to be a worsening affordability in the capital as a result of further housing shortages as suggested in these projections.

This methodology suggests that outflows from London in the HMA will not reach the level experienced in 2004 even by 2031 but nevertheless require almost 7,000 additional migrants from the capital to be accommodated in the HMA. To accurately model the impact of these one would need to adjust the level of migration on an annual or five yearly basis.

As this methodology applies the growth rate to the level of out migration from the capital as set out in the GLA model for 49,000 dwellings the fact that the capital is not planning on meeting this figure (limiting growth to just 42,000 dwellings -14% less) then this level of migration should be regarded as the absolute minimum addition that is required to be modelled.

Current Housing Offer

In tables 9 and 10 two different levels of vacancy rates are set out and it is unclear from the appendix what levels have been used as an input to the model. As the population data used in the model is from the census we would recommend that the census vacancy rates are used.

Demographic and Economic Context

Job density

In paragraph 4.32 it is stated that the jobs density in Rutland is likely to be affected by the aging population as jobs density is calculated as jobs per population aged 16 – 64 the size of the age groups outside of this band will not affect the calculation. This statement is therefore incorrect.

In figure 20 the jobs density is provided and these are used as an input to the model. However, these do fluctuate.

Experian

The use of recognised up-to-date economic and employment forecasts is supported (table 17 page 59). It is however important to note that these projections are population constrained. This means that in order to resolve the projection internally in terms of the balance of labour force and population the model adjusts the commuting

assumptions and the activity rates.

These changes are therefore outputs of the model rather than inputs and they do not reflect the ability for these changes to occur.

#### Alternative forecasts

It is recognised that the employment projections produced by Experian are modest and the modelling of higher levels of job creation are supported. The past rates of growth including the impact of the recession would support a degree of optimism in respect of the levels of future job growth. In the Population, Housing and Employment Forecasts Technical Report December 2013 Cambridge County Council Table 26 sets out the employment figures by district from two different economic models these are:

a. EEFM baseline Total employment change 2011 to 2031 18,000

b. LEFM baseline Total employment change 2011 to 2031 28,300

The difference between these two projections is explained in paragraph 2.1.5 of the Report as follows:

"The third section of this report (sub-national models) presents the latest forecasts from two economic forecasting models – the East of England Forecasting Model (EEFM) and the Local Economy Forecasting Model (LEFM). The starting point for both models is the outlook for the national economy. Both models are characterised by a professional assessment of the economic climate at the time of the baseline forecasts. Local economic growth determines employment growth, and both models forecast local economic growth based on observed past trends, albeit with potentially different growth assumptions for the different industry sectors. Another difference between the models is the way in which they determine population growth. The East of England Forecasting Model was designed to facilitate the setting of consistent housing and jobs targets, by providing a consistent set of employment, population and “demand for dwellings” forecasts. The EEFM bases the current population on the latest ONS mid-year estimate (the original mid-2010 estimate for the Spring 2012 forecasts). The EEFM then forecasts population growth in line with employment growth, and uses the level of net commuting to maintain the relationship between jobs and employed residents, providing a forecast for the total population, of all ages. So if the number of jobs increases, the population (and the demand for dwellings) increases, rather than the level of net in-commuting. The LEFM is different from the EEFM in this respect. The LEFM uses the latest ONS population projection as its population forecast (the 2008-based population projection modified to be consistent with the original mid-2010 estimate), and maintains the same population growth (and the same demand for dwellings) regardless of the growth in employment. The use of sub-national models provides a source of employment forecasts, not available from official sources, and further adds to our understanding of our local economy and, from the EEFM, our local housing needs. The use of more than one forecasting model adds to our confidence that, in the absence of development constraints, economic growth will fall within the range of scenarios considered."

The level of growth therefore is expect to be within the range of between 18,000 and 28,300 jobs, as such it would appear that the Peterborough Sub Regional HMA should also model the impact of this higher level of potential job growth for Peterborough.

#### Employment rates

There is no explanation as to the increase in the employment rates that are being suggested. The starting rates are different from those recorded by Nomis. These are particularly important assumptions as they will impact on the level of housing required to meet the increase in jobs forecast over the plan period.

What is clear is that the Employment Rates being used for 2031 are higher than those recorded in the last decade, including those rates which occurred during periods of the lowest unemployment (see table below). It is not considered that these assumptions are suitable inputs to the demographic model.

#### Market Signals

In terms of figure 31, which shows increasing house prices, and figure 40 there is little analysis as to the causes of increased house prices and reduced affordability. It is our view that supply side restrictions both nationally and locally have contributed to these price rises and reduced affordability.

The conclusion in paragraph 5.72 is that new build supply has been modest measured against potential demand. This we would suggest has had a negative effect on affordability and household formation rates and as such in accordance with the NPPG a higher level of housing should be considered to that suggested by just the demographic scenarios.

**LA Response:** The unmet need of 2,500 homes from the Cambridgeshire HMA relates to the 2011-31 period, but is met within the current Peterborough Core Strategy over the period to 2026.

Unmet need is a separate issue from the Objectively Assessed Need (OAN) for housing; and indeed Paragraph 182 in the NPPF treats both separately. The soundness test is one of meeting OAN and unmet needs where it is sustainable to do so. We have amended the report in Section 1 and 10 to make this clear; and to identify the process and other considerations which need to be taken into account in translating OAN into housing targets.

#### London

DLP's analysis shows that net migration from London has decreased over time with the suggestion made that population projections in the future should be moderated

upwards to take account of older trends and to reflect the potential under-supply of housing in London.

However, DLP's analysis shows that the reduction in net migration from London to a position where flows are almost in balance is a function both of falling out-migration from London and an increase in migration from the HMA to London.

Secondly, higher net migration from London was seen between 2001-5. However the reduction in net migration occurred before the recession. It has fallen further since the recession; but the SHMA projections are based on trends over the 2011-based SNPP which is principally based on migration trends over the 2005-10 period.

There is nothing in the evidence to suggest that net migration to/from London could or should be expected to return to levels seen in the 2001/2 to 2005/6 period, nor that data from the past five years is not a reasonable reflection of trends to be used in demographic modelling. Indeed, the SHMA projection already includes a significant uplift in levels of migration when compared with recent trends.

The critical issue is that any issue of "unmet need" from London needs to be treated separately from defining the OAN for the Peterborough Sub-Region HMA itself to avoid any double counting in how needs of different areas are addressed and is implicit within the Paragraph 182 soundness test in the NPPF which set out that OAN and unmet needs are separate.

The SHMA Report has been amended to set out how OAN and unmet needs should be considered in drawing together various factors to determine targets or policies for housing provision. This is addressed in Sections 1 and 10 of the report.

The issue of vacancy rates is dealt with in the report appendices (paragraph 1.32).

#### Economic Growth

The data provided by DLP suggests an average increase in jobs in the HMA of 2,000 per annum. However, to some extent this annual average is heavily influenced by the time period studied. DLP looks at the 2001-2012 period; had it looked at 2002-12 then the average would only be 1,500 per annum whilst the 2003-12 period shows the figure dropping to less than 1,000. The data used by DLP is highly variable and cannot be confidently used to suggest a trend in job growth which would be evidently more robust than use of the Experian forecasts.

An explanation of the increase in employment rates was provided in the Report appendices. The starting dates are different to those derived from NOMIS because they were derived by using 2011 Census data which is considered to be a far more accurate data source than NOMIS.

#### Market Signals

The SHMA considers higher levels of household formation as part of the demographic modelling process. For clarity, the SHMA starts with a baseline demographic forecast of 2,260 homes per annum to 2036; once constrained household formation rates are considered this figure rises to 2,462 (a 9% uplift) with the final conclusions about the OAHN being for a range of between 2,485 and 2,690. The upper end of this range is some 19% higher than 'just' the base demographic analysis.

### Stamford Property Co

**Comment:** Defining the housing market area  
Introduction

The identification of the Housing Market Area as set out in section 2 of the SHMA is agreed.

In terms of the analysis of migration flows the relationship both between Cambridgeshire HMA and London is underplayed. In previous plans there has been a reliance upon Peterborough to accommodate unmet need from the Cambridgeshire HMA.

This relationship is formalised by the Cambridgeshire and Peterborough Joint Strategic Planning Unit which approved the Memorandum of Cooperation –Provision of Additional Housing on 10th May 2013. This states:

"In this regard, it should be noted that the Peterborough Housing Market Area overlaps into Cambridgeshire. Peterborough is the largest urban centre within the travel to work area for the Cambridgeshire sub-region and is a major employment location with good transport links and infrastructure. On the basis of currently available figures, it has a net daily in-commute from Cambridgeshire of around 7,000 people. Peterborough has an up to date Local Plan (Core Strategy adopted in 2011 and a Site Allocations DPD adopted in 2012) with a substantial housing growth target of 25,450 between 2009-26.

Based on this background and engagement between all the local authorities listed in section 2.0, under the Duty to Co-operate, it is acknowledged by the authorities that Peterborough, in its up to date Local Plan, has already accommodated a proportion of the housing need arising in the Cambridge Housing Market Area, and it has been agreed that this proportion could reasonably be assumed to amount to approximately 2,500 homes (i.e. around 10% of its overall housing target)."

This is a clear agreement that some of the housing needs from the Cambridge SHMA should be met in the Peterborough Sub Regional SHMA, but this does not appear to have been addressed in the SHMA.

It is entirely appropriate that as a policy requirement this figure of 2,500 dwellings should be added to the final calculation of Objectively Assessed Need for Peterborough, although there are three questions that arise from this approach:

- a. The 2,500 dwellings forms part of the extant 1,497 requirement (this suggests that the local requirement is some 125 dwellings less i.e. 1,372 dwellings a year).
- b. If 125 dwellings have to be added to the final estimation of objectively assessed need, should this just be added for the period to 2026 or for the longer plan period?
- c. Does the additional 125 dwellings a year need to be added to Peterborough City or can it be dispersed across the wider HMA?

In respect of the evidence base it is noted that in the Population, Housing and Employment Forecasts Technical Report December 2013 SHMA suggest that the Cambridge SHMA has only averaged 3,740 completions a year (table 14 dwelling completions) compared to the future projected need of 4,650 dwellings a year (93,000 dwellings 2011 to 2031 table 33). Given the relationship between the two HMA's this substantial gap between the rate of completions and the future objectively assessed need the provision of just 125 dwellings a year in addition to the objectively assessed need for Peterborough Sub regional HMA appears to be an inadequate response to future under provision. This would suggest at the very least a need for a further 125 dwellings to be added to the objectively assessed need for Peterborough in addition to the demographic based calculations. It also highlights the need for continued cooperation between the two sets of authorities.

#### London

The importance of London cannot be overlooked in the assessment of housing need within the SHMA. The effect of London is twofold: first is the direct impact on levels of migration and second is the demographic pressure radiating out from the capital in terms of shorter migration movements and their implication for house prices.

It is noted that the Mayor of London is currently contacting local authorities notifying them of the likely consequences of under provision in the capital. This letter highlights that the demand for housing in the capital varies between 49,000 and 62,000 dwellings a year against a plan that seeks to double the recent rate of delivery within the capital to 42,000 dwellings. The difference between the projections is the assumptions made regarding out migration to other parts of the country.

This letter suggests that at the very minimum as the housing markets in the regions start recovering, then the level of migration out of London might revert to its long term trend. The lowest projection of 49,000 dwellings assumes much higher rates of out migration from the capital than the higher projections.

As the planned level of provision is actually even lower than the lowest projection the levels of out migration assumed by that projection must be considered to be conservative.

In addition the capital has not delivered dwellings at a rate of 42,000 dwellings a year since the second world war so there is considerable doubt as to whether even this level of provision will be achieved without the Mayor making significant changes to the emerging Further Alterations to the London Plan.

The changes to London migration in the preceding decade shows a falling off in migration, down from over 2,000 per annum to just 1,380 persons per annum while at the same time there has been an increase in migration from the Peterborough Sub Regional HMA to London. The result of this is that in recent years there has been almost a balance of migration between the HMA and London.

The trend at least from 2004 onwards has been for net migration from London to decrease, predominantly but not entirely based upon increased levels of migration into London, accompanied by a smaller decrease in levels of migration out of London.

The advice from the Mayor is that migration is likely to return to long term trend at the very least.

There is a reasonable argument that a return to these past rates would mean a return to a net inflow of almost 900 persons a year which mean an increase of some 800 migrants from the present level.

Looking at recorded levels of all net migration for the HMA and comparing this to the assumptions made in the 2010 and 2011 Sub National Population Projections (SNPP) illustrates that up to 2008 there was a rising level of net in migration into the HMA. It further illustrates that the 2011 SNPP assumptions are for lower levels of migration than the past average.

As both the average and the 2010 and 2011 SNPP are clearly impacted upon by the recession it is a reasonable approach to consider a higher level of net migration in the context of the situation arising from London

One approach might be simply to add to the net migration in the projections an element of additional migration to reflect the impact of undersupply in London.

The first methodology to be considered would be to add an additional element of migration based upon changes to the total level of migration to reflect the higher levels of migration experienced in the early part of the decade. This would require an additional 508 persons to be added into the modelled migration flows.

An alternative methodology might be to consider the increase in outflows from London calculated by the GLA and using the average proportion of that flow that would come to the HMA calculate the increase in outflows. This would assume that in flows to the capital remained constant which is unlikely if there is going to be a worsening affordability in the capital as a result of further housing shortages as suggested in these projections.

This methodology suggests that outflows from London in the HMA will not reach the level experienced in 2004 even by 2031 but nevertheless require almost 7,000 additional

migrants from the capital to be accommodated in the HMA. To accurately model the impact of these one would need to adjust the level of migration on an annual or five yearly basis.

As this methodology applies the growth rate to the level of out migration from the capital as set out in the GLA model for 49,000 dwellings the fact that the capital is not planning on meeting this figure (limiting growth to just 42,000 dwellings -14% less) then this level of migration should be regarded as the absolute minimum addition that is required to be modelled.

Current housing offer

In tables 9 and 10 two different levels of vacancy rates are set out and it is unclear from the appendix what levels have been used as an input to the model.

As the population data used in the model is from the census we would recommend that the census vacancy rates are used.

Demographic and economic context

Job density

In paragraph 4.32 it is stated that the jobs density in Rutland is likely to be affected by the aging population as jobs density is calculated as jobs per population aged 16 – 64 the size of the age groups outside of this band will not affect the calculation. This statement is therefore incorrect.

Experian

The use of recognised up-to-date economic and employment forecasts is supported (table 17 page 59). It is however important to note that these projections are population constrained. This means that in order to resolve the projection internally in terms of the balance of labour force and population the model adjusts the commuting assumptions and the activity rates.

These changes are therefore outputs of the model rather than inputs and they do not reflect the ability for these changes to occur.

Alternative forecasts

It is recognised that the employment projections produced by Experian are modest and the modelling of higher levels of job creation are supported.

The past rates of growth (including the impact of the recession would support a degree of optimism in respect of the levels of future job growth.

In the Population, Housing and Employment Forecasts Technical Report December 2013 Cambridge County Council Table 26 sets out the employment figures by district from two different economic models these are:

a. EEFM baseline Total employment change 2011 to 2031 18,000

b. LEFM baseline Total employment change 2011 to 2031 28,300

5.8 The difference between these two projections is explained in paragraph 2.1.5 of the Report as follows:

“2.1.5. The third section of this report (sub-national models) presents the latest forecasts from two economic forecasting models – the East of England Forecasting Model (EEFM) and the Local Economy Forecasting Model (LEFM). The starting point for both models is the outlook for the national economy. Both models are characterised by a professional assessment of the economic climate at the time of the baseline forecasts. Local economic growth determines employment growth, and both models forecast local economic growth based on observed past trends, albeit with potentially different growth assumptions for the different industry sectors. Another difference between the models is the way in which they determine population growth. The East of England Forecasting Model was designed to facilitate the setting of consistent housing and jobs targets, by providing a consistent set of employment, population and “demand for dwellings” forecasts. The EEFM bases the current population on the latest ONS mid-year estimate (the original mid-2010 estimate for the Spring 2012 forecasts). The EEFM then forecasts population growth in line with employment growth, and uses the level of net commuting to maintain the relationship between jobs and employed residents, providing a forecast for the total population, of all ages. So if the number of jobs increases, the population (and the demand for dwellings) increases, rather than the level of net in-commuting. The LEFM is different from the EEFM in this respect. The LEFM uses the latest ONS population projection as its population forecast (the 2008-based population projection modified to be consistent with the original mid-2010 estimate), and maintains the same population growth (and the same demand for dwellings) regardless of the growth in employment. The use of sub-national models provides a source of employment forecasts, not available from official sources, and further adds to our understanding of our local economy and, from the EEFM, our local housing needs. The use of more than one forecasting model adds to our confidence that, in the absence of development constraints, economic growth will fall within the range of scenarios considered.”

The level of growth therefore is expect to be within the range of between 18,000 and 28,300 jobs as such it would appear that the Peterborough Sub Regional HMA should also model the impact of this higher level of potential job growth for Peterborough.

Employment rates

There is no explanation as to the increase in the employment rates that are being suggested.

The starting rates are different from those recorded by Nomis.

These are particularly important assumptions as they will impact on the level of housing required to meet the increase in jobs forecast over the plan period. These do tend to fluctuate quite considerably over relatively short periods of time over time.

What is clear is that the Employment Rates being used for 2031 are higher than those recorded in the last decade, including those rates which occurred during periods of the lowest unemployment.

It is not considered that these assumptions are suitable inputs to the demographic model.

Market signals

In terms of figure 31, which shows increasing house prices, and figure 40 there is little analysis as to the causes of increased house prices and reduced affordability.

It is our view that supply side restrictions both nationally and locally have contributed to these price rises and reduced affordability.

The conclusion in paragraph 5.72 is that new build supply has been modest measured against potential demand. This we would suggest has had a negative effect on affordability and household formation rates and as such in accordance with the NPPG a higher level of housing should be considered to that suggested by just the demographic scenarios.

**LA Response:** The unmet need of 2,500 homes LA from the Cambridgeshire HMA relates to the 2011-31 period, but is met within the current Peterborough Core Strategy over the period to 2026.

Unmet need is a separate issue from the Objectively Assessed Need (OAN) for housing; and indeed Paragraph 182 in the NPPF treats both separately. The soundness test is one of meeting OAN and unmet needs where it is sustainable to do so. We have amended the report in Section 1 and 10 to make this clear; and to identify the process and other considerations which need to be taken into account in translating OAN into housing targets.

London

DLP's analysis shows that net migration from London has decreased over time with the suggestion made that population projections in the future should be moderated upwards to take account of older trends and to reflect the potential under-supply of housing in London.

However, DLP's analysis shows that the reduction in net migration from London to a position where flows are almost in balance is a function both of falling out-migration from London and an increase in migration from the HMA to London.

Secondly, higher net migration from London was seen between 2001-5. However the reduction in net migration occurred before the recession. It has fallen further since the recession; but the SHMA projections are based on trends over the 2011-based SNPP which is principally based on migration trends over the 2005-10 period.

There is nothing in the evidence to suggest that net migration to/from London could or should be expected to return to levels seen in the 2001/2 to 2005/6 period, nor that data from the past five years is not a reasonable reflection of trends to be used in demographic modelling. Indeed, the SHMA projection already includes a significant uplift in levels of migration when compared with recent trends.

The critical issue is that any issue of "unmet need" from London needs to be treated separately from defining the OAN for the Peterborough Sub-Region HMA itself to avoid any double counting in how needs of different areas are addressed and is implicit within the Paragraph 182 soundness test in the NPPF which set out that OAN and unmet needs are separate.

The issue of vacancy rates is dealt with in the report appendices (paragraph 1.32).

The SHMA Report has been amended to set out how OAN and unmet needs should be considered in drawing together various factors to determine targets or policies for housing provision. This is addressed in Sections 1 and 10 of the report.

Economic Growth

The data provided by DLP suggests an average increase in jobs in the HMA of 2,000 per annum. However, to some extent this annual average is heavily influenced by the time period studied. DLP looks at the 2001-2012 period; had it looked at 2002-12 then the average would only be 1,500 per annum whilst the 2003-12 period shows the figure dropping to less than 1,000. The data used by DLP is highly variable and cannot be confidently used to suggest a trend in job growth which would be evidently more robust than use of the Experian forecasts.

An explanation of the increase in employment rates was provided in the Report appendices. The starting dates are different to those derived from NOMIS because they were derived by using 2011 Census data which is considered to be a far more accurate data source than NOMIS.

Market Signals

The SHMA considers higher levels of household formation as part of the demographic modelling process. For clarity, the SHMA starts with a baseline demographic forecast of 2,260 homes per annum to 2036; once constrained household formation rates are considered this figure rises to 2,462 (a 9% uplift) with the final conclusions about the

**Mr Peter Dutton**

**Gladman Developments**

**Comment:** The Peterborough Sub-Region SHMA covers the 'best fit' housing market area that comprises the authorities of Peterborough, Rutland, South Holland and South Kesteven. As recognised in the SHMA however, the sub-region also operates and interacts with a number of surrounding authorities and housing market areas. The sub-regional authorities must ensure that the SHMA and the housing market area it defines represents the best basis on which to plan for the future housing needs of the area. The implications of these relationships should be fully explored and considered when identifying appropriate housing requirements for the sub region and surrounding authorities.

The SHMA particularly identifies links between the sub-region and the Cambridgeshire authorities of Fenland and Huntingdonshire, describing close relationships between Peterborough and Yaxley and Whittlesey, and a lesser extent March and Wisbech. This is relevant in the context of Local Plans being prepared for Fenland and East Cambridgeshire, where a Memorandum of Cooperation (MoC) between these authorities and Peterborough agrees to provide 2,500 dwellings of their housing needs (1,000 dwellings from Fenland and 1,500 from East Cambridgeshire) within the Peterborough authority area. The ongoing relationships between these authorities and the Peterborough sub-region should be fully assessed in the context of the SHMA's findings, when identifying future housing needs and setting housing targets across the area. This is significant when the Fenland Local Plan has been found sound, and the East Cambridgeshire Local Plan has recently undergone Examination based on the MoC arrangements.

**LA Response:** Comments noted. Additional information has been added to the SHMA report in Section 1 to explain the relationship between defining the objectively assessed need for the Peterborough sub-region and SHMA's for adjoining HMA areas.

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**Do you have any comments on the demographic projections used to inform the figures for future housing needs (for all types of housing)? Are the figures robust? Would they be deliverable? These are set out in Chapter 6, Table 33 in the main SHMA report for each local authority and the HMA as a whole.**

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**Mr Ron Simpson**

**Comment:** Communities with N Plans may hold different views. Uppingham N Plan prevents more 1 bedroom homes to allow for greater flexibility.

**LA Response:** Comments noted.

**Taylor Wimpey**

**Comment:** It is understood that the projections set out in Table 33 have been adjusted to reflect actual migration movements; the assumptions in the 2008 and 2011 household projections having slightly overstated the rate of net inward migration which occurred. Whilst there are no objections to the database being as robust as possible, it is a matter of concern that when combined with the under delivery of dwellings in three of the four authorities between 2006 -12, as shown in Table 26, there is an inbuilt, downward pressure on the housing figures within the projections. This is contrary to the national policy imperative to boost significantly the supply of housing. It must be recognised that those households who would otherwise have moved into the area will probably only have deferred their decision to move. With the upturn in the housing market, it is reasonable to anticipate that these deferred migrants will now move and if not allowed for will place increasing pressure on the housing market. It is therefore considered that the most appropriate way to address this problem is to ensure that the shortfall in housing provision which has occurred between 2006 - 12 is added to the housing projection.

**LA Response:** The national Planning Practice Guidance says that past housing delivery against targets should be considered as one of a number of market signals and these together used to assess whether there is a case for adjusting the level of housing provision identified within demographic projections.

The core issue boils down to what impacts any under-delivery of housing in an area might have had in demographic terms. These could potentially be as follows:

- Reduced household formation rates; and
- Less migration from one area to another.

An adjustment has been made for both of these factors in the SHMA. Core projections are based on migration over the 2005-10 period rather than taking account of lower

recent trends, to ensure that we are not projecting forward based on trends solely covering the recessionary period. Secondly, household formation rates have been adjusted to ensure that the recessionary trends are not projected forward, with a stabilisation and some improvement in household formation rates for key groups. Were the Objectively Assessed Housing Need to be based solely on recent demographic trends then there might be a case for additional provision to take account of past shortfalls; however it needs to be remembered that the projections already factor in an uplift for suppressed household formation (of over 200 dwellings per annum) and so to add an additional amount for past delivery would represent double counting. Overall, it is therefore considered for a number of reasons that there is no basis for the SHMA to add in an additional level of provision to reflect delivery in the preceding years.

#### **Broadgate Homes Ltd**

**Comment:** Comments are based on the tests set out in Section 10 of the draft SHMA, in particular Test 1: Is there evidence that the household formation projections have been constrained?  
The 2011 based Interim Household Projections provide a key set of data for estimating how many homes are required over the next eight years. However, they need to be treated with care, as they reflect a failing housing market rather than what is necessarily required in the future. This is because they project forward what has happened since 2008, during the worst post war recession that for housing has, in particular been characterised by:

- A substantial under supply of dwellings
- Increased overcrowding
- Prices remaining out of reach of first time buyers; and
- Severley restricted mortgage finance, exacerbating overall conditions that have dramatically slowed the market.

The projections therefore reflect the conditions created by building too few houses and are necessarily constrained by the conditions reflected in the period they represent. Notwithstanding, they show an increase in households of 2.2m for England as a whole in the period to 2021 and for the East Midlands, a 12% increase over the legacy regional spatial strategy target.

For those Planning Authorities relying on the projections to inform future policy caution is required because;

- A policy approach which perpetuates the trends of young households being unable to access the housing market is dangerous, because:
- The recovery in the market, which will release suppressed demand caused by the recession and reflected in the projections will be unlocked. This could render the projections a less than useful policy tool. This is an important issue because while the Interim 2011 Projections run only to 2021, the draft SHMA rolls them forward to 2036. However, the draft SHMA has had, to an extent, regard to these issues and quoted at para 6.32, the findings of a study project by the Cambridge Centre of Housing and Planning Research. This has resulted in a small increase in projections as illustrated in Tables 33 and 34 of the draft SHMA.

Broadgate do not in general take issue with these conclusions but would, for the reasons set out above, suggest that the figures for each authority that appear in Table 33 should, when informing policy, be regarded as minima, as it is clearly the case that the projections have been constrained by the exceptional conditions in the housing market.

**LA Response:** Comments noted. However, it will be for individual local planning authorities through their Local Plans to determine housing targets.

#### **Larkfleet Homes**

**Comment:** Demographic Projections  
The approach as set out in paragraph 6.2 is supported however the positive approach to addressing the Government's stated objectives need to be applied to the modelling process rather than to the results. This is because pessimistic assumptions or ones which rely upon the actions of others outside of the HMA can substantially impact on the outputs of a model in terms of the future requirement for housing. This approach to the model inputs was adopted by the Inspector for the South Worcestershire Development Plan in recommending a further increase in the level of housing. In paragraph 59 of his Report dated 31 March 2014 Inspector Clews states:  
"I have taken into account the argument of DLP that (in summary), where there is a choice of reasonable alternative assumptions on, for example, future HRR trends or employment growth, guidance in the NPPF indicates that one should choose the highest reasonable assumption when modelling future housing need."  
Migration assumptions  
In paragraph 6.15 it is stated that the level of migration has been decreased from that in the 2010 SNPP for both Peterborough and South Holland and increased in Rutland and South Kesteven. There are no details to the scale of these changes and the justification is scant.  
It is our view that the drivers of migration, such as the ability of neighbouring HMAs such as Cambridge and the impact of undersupply in London are likely to have a much

greater influence on future levels of migration.

The Duty to Cooperate statement already contains an agreement for Peterborough to accommodate additional unmet demand from the Cambridge HMA. This requires that the level of housing provision to be increased by 125 dwellings a year to meet unmet need in the Cambridge HMA.

The London Mayor is also active in advising authorities which have a relationship with London not to adopt the more recent data suggesting lower levels of migration. In the case of the HMA a return to past rates of net migration would mean an increase of about 800 persons per year.

Alternative assessments of how to address the issue suggest that overall level of net migration should be increased by 350 or 500 persons per year.

Taking the approach to migration assumptions that one should tend towards, the one that is most likely to secure the housing needs of the country as a whole and widen housing choice, then it is our view that some 800 net migrants should be added to the past average rate of migration for the HMA (3,500 a year). This would suggest a total level of net internal migration of some 4,300 a year. To this figure has to be added the net impact of internal migration (i.e. migration from other parts of the UK).

Finally in addition to the resulting dwelling requirement a further 125 dwellings are required to be added to provide for the unmet need from the Cambridge HMA.

The "other" element of past population change

The approach of treating the 'other' element of population change as migration was suggested by GL Hearn at the Vale of Aylesbury Plan examination and the Inspector rejected this approach in his letter (7 January 2014) finding the Plan unsound. In paragraph 35 he concludes:

"Attributing all of this to migration, as the Council has done, has the effect of substantially reducing the estimates of past net in-migration to the District. The very recent trend suggests an increase in annual net in-migration, to approximately the levels assumed in the 2011-based interim household projections. Whilst the Council has concerns as to the assumptions which underpin the projections, I find insufficient evidence to conclude that they are inaccurate to the extent suggested."

The impact of these migration adjustments is to slightly decrease the overall housing requirement. As such these adjustments do not assist in meeting the Government's stated objectives.

#### Household Representation Rates

In principle it is agreed that an allowance should be made to address the situation of currently suppressed household formation rates as suggested in paragraph 6.34. These adjustments are required to address the negative impacts of previous undersupply that are evident from increased non-traditional household forms such as unrelated adults living together. It is however noted that while it is suggested that the household formation rates are returned to a mid-point between the 2011 and 2008 CLG projections (paragraph 6.35) the impact of this as illustrated by figure 8 in the appendix shows that the impact of this approach is that the average household size that results is not that which is halfway between the 2011 and 2008 projections but one that is much closer to the 2011 Interim Projections.

This is also demonstrated by reference to the results in table 33 in which the amended trend 2,531 dwellings compared to a 2011 based projection of 2,343 dwellings.

Crudely the revised projections provides just under 200 additional dwellings a year to address the effects of long term undersupply and built up demand. This is cannot be regarded as planning positively to overcome the impact of these past issues.

It is noted out of the three options regarding headship rates the report recommends the one that produces the lowest dwelling requirement. In a situation where there is a choice of reasonable alternatives as set out in table 34 then the requirement to plan positively and to make the decision which is most likely to secure the Government's aim of meeting the future housing needs of the country then the higher of the three projections carries the least risk and should be selected. In this case this would be the part return to trend.

This suggests a dwelling requirement of 2602 dwellings a year based upon the downward adjusted 2010 SNPP migration projections.

#### Alignment with Employment Growth

An alignment with up to date employment growth forecasts and policy aspirations is supported. Paragraph 6.44 is however incorrect when it states that the Experian projections take no account of supply side factors. The projections are tied back to the 2010 SNPP and to maintain consistency with these projections adjustments are made within the model to commuting patterns and activity rates.

The modelling of a higher level of employment creation than that suggested by the Experian model is also supported.

The approach to using changes to economic activity rates is of concern as there seems to be no justification for the assumptions chosen and the degree of variability within short time frames when considering the Nomis data generates further uncertainty.

The assumptions in the model are based upon increasing activity rates both in the population to 65 and also in the 65 - 75 age groups as a response to increased pension age. There is no clarity as to how these increases are to be achieved as they appear to be higher than the rates achieved with the districts at times when unemployment was at its lowest.

Without compelling evidence that this level of increase is achievable we would warn against modelling such increases in the economic activity rates. Given the relatively high

levels of employment growth it is potentially these assumptions regarding the increase in the number of people working from the same level of population which accounts for the employment led projections being lower than the demographic projections.

It is suggested that a model run is undertaken that holds the economic activity rate constant so that the results can be compared. This will highlight the impact of the proposed amendments to this rate is having on the future need for housing.

**LA Response:** Migration Assumptions

DLP claims that para 6.15 suggests changes to migration when compared with the 2010-based SNPP are not justified. This misinterprets the SHMA Report. The wording at this point in the SHMA is simply reflecting the direction of migration in the SNPP and not comparing one version with another. It simply describes what the national projections show.

With regard to the potential need to increase migration to take account of London the SHMA is already projecting migration at a level which can be considered as a significant uplift on past trends.

Unattributable Population Change

The analysis of UPC has a negligible impact on assessed housing need – reducing the HMA figure by 22 per annum from 2,282 to 2,260 (less than 1% difference). There is unlikely to be a ‘right’ answer here. It is an issue related to the accuracy of Census data, and ONS recording of migration. However the scale of the issue in regard to housing need across the HMA is insignificant, whichever approach is taken. It is an issue which has a greater impact on distribution; and in this context it should be recognised (consistent with the NPPF) that greater weight should be attached to the HMA findings. The report has been amended to make this clear.

Household Representative Rates

The approach taken (taking a midpoint between the 2011-based rates and the 2008-based trend) is sound and reflects a position where part of future household size trends will be influenced by international migration (which generally sees a lesser reduction in average household sizes due to different household structures amongst international in migrants) and in part act as a correction for market factors over the past decade which have seen fewer households forming than might have been expected.

The approach used draws on and is consistent with the national studies which have considered this issue. The SHMA report provides a comprehensive sensitivity analysis and the approach adopted has also been supported in a number of local plan examinations.

In the case of the Peterborough Sub-Region HMA, it is accepted that by the end of the projection period the average household size is still nearer the 2011-based projections than the 2008-based ones. However much of this will be due to the relatively large movement away from 2008-based trends seen from 2001 to 2011. In this period international migration to the HMA was significant, as was the growth of BME communities. Both of these factors would suggest that movement away from longer term trends has been disproportionately impacted by non-market factors and so the projected trend in average household sizes is not unrealistic.

To look at headship rates the report suggests the soundest one to be that which shows the lowest housing requirement. The reason for this is that we would consider in the local context that it is the most prudent method to use. Two of the methods provide very similar results and it is the part-return to trend method which shows the highest figures. We do not consider this to be sound in the context of this HMA, where it is clear that past population and household growth has disproportionately been influenced by international migration and so the part-return to trend methodology is not appropriate. Hence whilst we have modelled data on the basis of a part return to trend we do not consider it to be a ‘reasonable alternative’.

**Stamford Property Co**

**Comment:** Demographic projections

The approach as set out in paragraph 6.2 is supported however as stated in section 2 the positive approach to addressing the Government’s stated objectives need to be applied to the modelling process rather than to the results. This is because pessimistic assumptions or ones which rely upon the actions of others outside of the HMA can substantially impact on the outputs of a model in terms of the future requirement for housing. This approach to the model inputs was adopted by the Inspector for the South Worcestershire Development Plan in recommending a further increase in the level of housing. In paragraph 59 of his Report dated 31 March 2014 Inspector Clews states: “I have taken into account the argument of DLP that (in summary), where there is a choice of reasonable alternative assumptions on, for example, future HRR trends or employment growth, guidance in the NPPF indicates that one should choose the highest reasonable assumption when modelling future housing need.”

Migration assumptions

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It is our view that the drivers of migration, such as the ability of neighbouring HMAs such as Cambridge and the impact of undersupply in London are likely to have a much

greater influence on future levels of migration.

The Duty to Cooperate statement already contains an agreement for Peterborough to accommodate additional unmet demand from the Cambridge HMA. This requires that the level of housing provision to be increased by 125 dwellings a year to meet unmet need in the Cambridge HMA.

The London Mayor is also active in advising authorities which have a relationship with London not to adopt the more recent data suggesting lower levels of migration. In the case of the HMA a return to past rates of net migration would mean an increase of about 800 persons per year.

Alternative assessments of how to address the issue as set out in section 3 suggest that overall level of net migration should be increased by 350 or 500 persons per year.

Taking the approach to migration assumptions that one should tend towards, the one that is most likely to secure the housing needs of the country as a whole and widen housing choice, then it is our view that some 800 net migrants should be added to the past average rate of migration for the HMA (3,500 a year). This would suggest a total level of net internal migration of some 4,300 a year.

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The impact of these migration adjustments is to slightly decrease the overall housing requirement. As such these adjustments do not assist in meeting the Government's stated objectives.

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It is however noted that while it is suggested that the household formation rates are returned to a mid-point between the 2011 and 2008 CLG projections (paragraph 6.35) the impact of this as illustrated by figure 8 in the appendix shows that the impact of this approach is that the average household size that results is not that which is halfway between the 2011 and 2008 projections but one that is much closer to the 2011 Interim Projections.

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It is noted out of the three options regarding headship rates the report recommends the one that produces the lowest dwelling requirement.

In a situation where there is a choice of reasonable alternatives as set out in table 34 then the requirement to plan positively and to make the decision which is most likely to secure the Government's aim of meeting the future housing needs of the country then the higher of the three projections carries the least risk and should be selected. In this case this would be the part return to trend.

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The approach to using changes to economic activity rates is of concern as there seems to be no justification for the assumptions chosen and the degree of variability within short time frames when considering the Nomis data generates further uncertainty.

The assumptions in the model are based upon increasing activity rates both in the population to 65 and also in the 65 - 75 age groups as a response to increased pension age. There is no clarity as to how these increases are to be achieved as they appear to be higher than the rates achieved with the districts at times when unemployment was at its lowest.

Without compelling evidence that this level of increase is achievable we would warn against modelling such increases in the economic activity rates. Given the relatively high levels of employment growth it is potentially these assumptions regarding the increase in the number of people working from the same level of population which accounts for the employment led projections being lower than the demographic projections. It is suggested that a model run is undertaken that holds the economic activity rate constant so that the results can be compared. This will highlight the impact of the proposed amendments to this rate is having on the future need for housing.

**LA Response:** Migration Assumptions

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With regard to the potential need to increase migration to take account of London the SHMA is already projecting migration at a level which can be considered as a significant uplift on past trends.

Unattributable Population Change

The analysis of UPC has a negligible impact on assessed housing need – reducing the HMA figure by 22 per annum from 2,282 to 2,260 (less than 1% difference). There is unlikely to be a ‘right’ answer here. It is an issue related to the accuracy of Census data, and ONS recording of migration. However the scale of the issue in regard to housing need across the HMA is insignificant, whichever approach is taken. It is an issue which has a greater impact on distribution; and in this context it should be recognised (consistent with the NPPF) that greater weight should be attached to the HMA findings. The report has been amended to make this clear.

Household Representative Rates

The approach taken (taking a midpoint between the 2011-based rates and the 2008-based trend) is sound and reflects a position where part of future household size trends will be influenced by international migration (which generally sees a lesser reduction in average household sizes due to different household structures amongst international in migrants) and in part act as a correction for market factors over the past decade which have seen fewer households forming than might have been expected.

The approach used draws on and is consistent with the national studies which have considered this issue. The SHMA report provides a comprehensive sensitivity analysis and the approach adopted has also been supported in a number of local plan examinations.

In the case of the Peterborough Sub-Region HMA, it is accepted that by the end of the projection period the average household size is still nearer the 2011-based projections than the 2008-based ones. However much of this will be due to the relatively large movement away from 2008-based trends seen from 2001 to 2011. In this period international migration to the HMA was significant, as was the growth of BME communities. Both of these factors would suggest that movement away from longer term trends has been disproportionately impacted by non-market factors and so the projected trend in average household sizes is not unrealistic.

To look at headship rates the report suggests the soundest one to be that which shows the lowest housing requirement. The reason for this is that we would consider in the local context that it is the most prudent method to use. Two of the methods provide very similar results and it is the part-return to trend method which shows the highest figures. We do not consider this to be sound in the context of this HMA, where it is clear that past population and household growth has disproportionately been influenced by international migration and so the part-return to trend methodology is not appropriate. Hence whilst we have modelled data on the basis of a part return to trend we do not consider it to be a ‘reasonable alternative’.

**Mr Peter Dutton**

**Gladman Developments**

**Comment:** The SHMA assesses housing needs linked to the 2011-sub national population and interim household projections, factors in more recent mid-year population estimates and adjusted household formation rates, and takes account of economic driven housing needs. It considers that evidence of affordability and housing demand points towards an upwards adjustment to support a higher level of housing delivery in Rutland but considers that there is no strong evidence supporting an uplift in housing to meet affordable housing needs. Drawing the assessed drivers of housing need together the SHMA concludes there is a need for 1,100-1,200 dpa in Peterborough for the period 2011-2036, 165-180 dpa in Rutland, 560-600 dpa in South Holland, and 660-710 dpa in South Kesteven. We reserve the right to undertake a more detailed analysis of the assessed figures and the drivers and signals of housing need in the sub-region authorities in the future.

In assessing housing needs linked to economic growth the SHMA refers to proposed improvements in economic participation rates, a key topic at the recent examination hearing sessions for the South Worcestershire Development Plan. The Councils should ensure that the economic activity rates that inform its projections are justified by robust evidence, including whether economic participation rates will improve across the 64-74 age group as suggested. The Councils should ensure that their housing needs

linked to economic growth take account of commuting patterns and relationships with neighbouring authorities.

**LA Response:** The change in wording between the draft National Planning Practice Guidance (NPPG) and the final version on housing and economic growth is significant. There is a change in emphasis which recognises that economic growth and demographics can influence different areas in different ways – with some areas needing higher migration than in past trends; and others lower.  
The final NPPG no longer specifically states that local authorities should consider increasing housing numbers if there is evidence of a shortfall in labour-force supply but emphasises that the balance between homes and jobs may influence the distribution of housing.  
The SHMA Report has been amended to make this clearer setting out that the SHMA assessment does not take account of local policies (or indeed land allocations) for economic growth. The alignment of policies for housing, employment and other land uses (bringing together different evidence base studies) is a relevant consideration in the development of local plans and needs to be considered as the strategy for development is progressed.

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**Do you have any comments on the assessed level of affordable housing need for each local authority and the HMA as a whole? To what extent should the private rented sector be considered as playing a role in meeting this need? These are set out in Chapter 7, Table 51 in the main SHMA report (Figure 5 in the executive summary)**

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**Mr Ron Simpson**

**Comment:** Percentage affordable seems rather high for Rutland. Certainly too high for Uppingham.

**LA Response:** Comment noted. The SHMA does not attempt to quantify housing need at a sub-District level. The policy requirement for affordable housing at a District or sub-District level is a matter for each Local Planning Authority in preparing their Local Plans taking account of the SHMA findings but also local/site specific issues including development viability.

**Taylor Wimpey**

**Comment:** No, the methodology employed is a recognised approach for establishing the net need for affordable housing.  
It must be recognised that the private sector does have an important role to play in meeting housing need as reflected by the number of households in private rented accommodation and in receipt of housing benefit.

**LA Response:** Comments noted.

**Mrs Angela Cavill-Burch**

**Comment:** No except the work carried out on older peoples and disability specialised housing need I found to be inadequate, thin and needing more detailed analysis.  
Section 7: page 113  
More analysis is needed of the types of housing need that is currently on housing waiting lists, i.e. why are they on the list, 1. need housing that can be met in general housing and private rented sector, 2. Need very specialised housing and can other get through social type housing. There needs to be more targeted case management of the most difficult to house family units on the list.  
Page121  
Glad the report writers recognise that the private rented sector can not usually meet the needs of disabled renters, due to short tenancies, unwillingness to make adaptations etc.  
More effort needs to be made to quantify how many disabled people in all the rented sector there are that need specialised housing as many disabilities can be managed in standard housing, this will enable more accurate picture to be obtained regarding future projected needs and may open eyes as to how many people you are currently housing in non-optimal, sub-standard, and unsafe conditions. Could start by finding out how many households claim Mid and High rate DLA, and Attendance Allowance. Again the specialised charities often know how to go about finding out these figures.  
Section 8.19 Page133  
The report writers make a suggestion that more large houses need to be built for large families , but stay silent over the national shortage of wheelchair accessible accommodation.

Older people may need to downsize to fewer rooms , but those rooms they have may need to be a lot bigger to accommodate medical equipment, wheelchairs , care workers etc, this is a fact lost on many builders leading to I suspect why all those bungalows in Leiden Fields Spalding are not re-selling for an example. I was also appalled at the floor-plans of a new development in Bourne which seemed to assume that all the over 55's were extremely fit and healthy .

**LA Response:** Additional information, where it is available, has been included in the report.

#### **Mr Mark Deas**

##### **Cambs ACRE**

**Comment:** An analysis of rural need would be useful. The 2010 SHMA Update made some significant points about rural housing - lack of affordable housing in rural areas, high incomes counter-balanced by high house prices, low turnover of affordable stock, limited role of private rented sector in addressing affordable need - very few private tenants receiving LHA, lack of new build in rural areas.

**LA Response:** Additional information on rural housing in the HMA has been added.

#### **Broadgate Homes Ltd**

**Comment:** Comments are based on the tests set out in Section 10 of the draft SHMA, in particular Test 2; Is there a need to increase overall housing supply in order to ensure delivery of the required number of affordable homes.

It is usually the case that assessments of affordable housing need produce a requirement greater than policy interventions can produce. There is a limit to what developers can provide because of the implications of affordable housing provision on viability. More so latterly, having regard to exceptional market conditions and evidenced by the renegotiation of planning obligations agreed when the market was more buoyant.

The level of dwelling provision has a direct correlation to the level of infrastructure required to support it, which in part or wholly, has to be provided by the developer. This again affects viability so the reality is that LPAs need to prioritise their requirements having regard to the financial limitations that are fundamental to the constituents of development proposals.

Broadgate have schemes that make their houses available to young people and while not formally classed as affordable housing, these provide a valuable component of the overall housing offer. Similarly, Broadgate would encourage reliance on the privately rented sector to contribute to the overall provision of affordable housing and would encourage housing authorities and providers to work with the sector in this respect.

An overall increase in housing provision from that set out in Table 33, would not ensure the delivery of the overall identified affordable housing requirement. However, Broadgate agree with the sentiments set out in para 10.24 of the draft SHMA which refers to issues in South Holland, hence the need to identify the 570 dwellings (2011-2031) in Table 33 as a minima.

**LA Response:** Comments noted. However, it will be for individual planning authorities through their Local Plans to determine housing targets.

#### **Larkfleet Homes**

**Comment:** The criterion that households will not spend more than 30% of their income on housing is not considered realistic as many households are unfortunately paying over this amount of their income for housing.

The use of this assumption means that the level of affordable housing has been overestimated.

**LA Response:** Whilst it is accepted that many households do spend more than 30% on housing costs, this does not in itself lead to the figure needing to go up. The use of 30% appears to have been adopted as an industry standard and has been used in many SHMAs up and down the country. It is notable that the 30% figure is already an uplift on the 25% suggested in the 2007 SHMA Guidance which is the last publication to include guidance on the method to be used. It is not agreed that the model overestimates the need for affordable housing.

#### **Stamford Property Co**

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**Do you consider that the housing requirements of specific household groups are adequately covered? If not, why? Is there any group that you think requires further consideration in the reports? These are set out in chapter 9 the SHMA and in the Stakeholder Consultation Report**

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**Mr Ron Simpson**

**Comment:** Yes

**LA Response:** Comment noted.

**Taylor Wimpey**

**Comment:** It is not considered that the housing needs of Armed Forces Personnel have been taken into account sufficiently. As explained in paragraph 9.46 there will be an increase in numbers at Kendrew Barracks in Rutland when the troops are brought back from Germany. It is acknowledged that the need for additional accommodation to be provided on the base is currently being considered by the MoD and Rutland County Council. Even so the MoD's statement admits that "it may not be feasible for sufficient additional units to be provided in time for all the personnel". In these circumstances, there will be real pressure on the local housing market which it is recognised "may have a significant impact in Rutland". It is therefore imperative that the housing provision within the County is not constrained as to do so will exacerbate the affordability problem for the indigenous population.

**LA Response:** As stated in paragraph 9.46 of the report, this would be a short term impact that does not affect demographic or development projections, because it is envisaged that additional housing would be provided at Kendrew Barracks outside of the normal system of housing numbers.

**Mrs Angela Cavill-Burch**

**Comment:** Yes, I am totally confounded that both Peterborough and Spalding have failed to research the needs of wheelchair users (old and young) in relation to their housing stock, present and future need. While councils fail to study and understand the requirements of this group we will continue to see dangerous allocations of housing for those that depend on a wheelchair to get around. People being housed on above ground floor flats when they can not evacuate themselves, inadequate inaccessible extra care facilities built that do not have construction to support ceiling hoists, space requirements of the disabled.

No cognisance has been made of people who remain in the community with the help of NHS funded Continuing care, many with 24 hr care worker provision, their needs are different from the independent wheelchair user. This group is a growing group, a lot of people do not like extra care facilities. I have seen a new over 55 development built in Bourne with not one bungalow that is big enough to be adapted for a wheelchair + care users needs. Council planning meetings that allow developers get away with not building the 2% specialised housing due to cost and profit margins.

Section 9.9 Page 142

More work needs to be done on the suitability of extra care housing for those with mobility restrictions, as I have seen evidence of people with severe mobility problems being placed above ground floor level in accommodation that can not take either mobile hoists or ceiling/wall mounted ones and not specifically adapted to their needs.

Sections 9.18-19 Page 144

If councils base their building and provision of housing around the statistics provided in this report, they must have procedures in place to house "outliners" that do not fit neatly into the pre-determined boxes, for example my household, (1 under 55 able-bodied + 1 over 65 severely disabled) is this household a pensioner household, a couple without children household, a disability household ?

Section 9.25 Page 146

The dreaded “Bungalow Phobia” . Bungalows are not economical for developers to build. Councils should be tougher in this area , if that is what is needed then that is what is needed. Get developers to look at alternative building methods which are cheaper per square metre but still do not compromise on quality i.e. so called flat pack housing, timber framed housing etc.

Section 9.26

Good analyses but more detail needed. Table 68 shows a 81% increase in people with mobility problems yet you are going to build 2% specialised housing / 20% lifetime standard at best . Not enough according to the figures me thinks . Councils need to help cure developers of their “bungalow phobia” and quickly.

Section 9.29

May include institutionalised accommodation but more and more people are demanding support in a community setting. People do not particularly like nursing homes, care homes, and extra care homes having been forced to live in the latter for the last 5 years I can fully understand why. Recommend that some members of the council actually try living in some of these places for a short while to enhance their experience of what it is really like.

Section 9.30

75% of older people may at present own their own homes will that be the case for the generations to come, with pension income going down, people having to pay for their care, generation rent coming through?

Section 9.32

Older people need spacious accommodation for the use of wheelchairs etc. Many care companies will not work in properties with inadequate unsafe working conditions. Tele-care will it take off?, I think only for those with minimum support needs. People need human contact.

Section 9.34 Page 150

Re numbers of specialised Housing for older people – would agree a lot more work needed in this area.

Section 9.35

Again councils need to get over their “bungalow phobia”

Section 9.37 Page 151 Table 71

Peterborough building an extra 500 extra care places, these need to be reviewed urgently for suitability of those with high accessibility needs. Spalding more work needed in this area.

Section 9.39 Page 152

This company should have worked with experts in the field of accessible accommodation to produce this section. Suggest local disability groups, Habinteg, Papworth Trust, Scope to name a few.

Page 154 Table 73 and 74

I am pretty disgusted with the lack of research carried out in this area by the local councils, evident in the nil returns in this table.

**LA Response:** In line with guidance, considerable information has been included on the needs of specific groups in the population. This is in Chapter 9 of the SHMA report, much of which relates to the needs of people with disabilities. Additional information has been included in the final report where this is available. The report has highlighted the needs of specific groups to be addressed through the preparation of the LPAs Local Plans which may include consideration of the issues identified by the respondent.

**Mr Mark Deas**

**Cambs ACRE**

**Comment:** Rural communities should be explicitly considered. Rural affordable housing is about more than addressing housing need. It helps to sustain rural communities. Enabling people to stay in their community retains social networks and supports local services. Dropping Band 5 has significant implications for rural exception sites. Exception site inhabitants are typically previously in private rented accommodation or living with parents and hence on a low band. These people will potentially no longer to apply making it more difficult to let to local people and ultimately making it more difficult to persuade Parish Councils of the benefit of exception sites. The current government proposal to remove any obligation to provide affordable housing on sites of less than 10 dwellings will exacerbate shortage of affordable homes in rural areas making the role of exception sites even more important.

Mr Jeremy Porteus

### Housing and Learning Improvement Network

- Comment:** Pleased to see the detail on future older people's needs within the report. It is especially heartening to see the Housing LIN's work highlighted and recognised. As reported on the BBC news feature on Peterborough on 1 April 2014, we agree that the large increase in older people over the coming decades will cause issues for all public sector services, especially the NHS.
- We maintain that housing has a key role to play to maintain the wellbeing and quality of life of people as they age. However, we believe that there is no single solution to the impending challenges. A variety of choices and options are essential to both retain independence and reduce health and adult social care revenue costs. Furthermore, there may well be different solutions in urban and rural areas, in owner occupier and rented sectors and areas that currently have high or low levels of housing and care capacity for older people. The Housing LIN welcomes and supports housing policy and strategies that also improve mainstream housing for older people, including:
- Adoption of HAPPI, lifetime home and lifetime neighbourhood standards<sup>1</sup>
  - Increased support for Disabled Facilities Grants through both improved funding and also coordinated systems eg Better Care Fund, and services that allow adaptations to be delivered quickly and easily
  - Quality advice and guidance to owner occupiers and trusted building firms to make sure self-funders can be sure they fund quality adaptations relevant to their needs.
  - Improving advice and guidance services and support for older people to move home to appropriate accommodation such as the FirstStop Advice Service<sup>2</sup>.
  - Consideration to building a % of new homes, especially in more rural areas where specialist housing is not economic due to economies of scale, to high accessibility standards suitable for older people with mobility issues and long term health conditions, such as dementia.
- We would also like to comment on the specific information provided on page 149 onwards in GL Hearn's report. The Housing LIN's Strategic Housing for Older People Analysis Tool (SHOP@)<sup>3</sup> uses the information from the 'More Choice, Greater Voice' report as the national benchmarks for future service prevalence rates. The rates proposed in this Department for Communities and Local Government report, were:
- 125 per 1,000 people over 75 for sheltered housing
  - 25 per 1,000 people over 75 for extra care housing (ECH)
  - 20 per 1,000 people over 75 for enhanced sheltered accommodation.
  - Giving a total of 170 per 1,000 older people over 75 requiring specialist housing
- Para 9.30 suggests 125 older people per 1,000 would require ECH which appears to mix prevalence rates for the different kinds of housing provision. However, we accept that if you are reporting a total specialist housing provision across the whole older people's housing sector then given the increased pressure on capital and revenue funding, an overall provision of 125 down from 170 per 1,000 across the whole specialist housing sector is a reasonable assumption to make. The report states a 25%/75% split between the public and private sector. We have not studied the SHOP@ figures in detail for the Peterborough area but note that Peterborough itself has currently a 100% supply of public funded extra care housing and a very high provision of public sector sheltered accommodation. As a result, depending on the timescale, we suggest a significant % tenure change may be difficult to achieve without some incentives to stimulate the market, especially for older homeowners in the region. For example, encouraging an increase in the mix of tenures through partnerships with public and private retirement housing developers; via the planning system; maximising the use of surplus land; and supporting bids to the Homes and Communities Agency and Department of Health capital programmes, including under the Better Care Fund.
- There are two other issues that may also be worth reporting. The increase in the numbers of over 75s is not linear. There are a few years of smaller growth before the larger increase from 2020 onwards. It is also worth considering if many 75 year old are, in fact, fitter and healthier than previous generations which will reduce demand, although it is accepted that once health has deteriorated then old people are living longer with limiting long-term health conditions. As recognised in the consultation, this is also resulting in a substantial increase in the numbers of people with dementia.
- In summary, we therefore recommend the following under the following headings:
- Improving choice
- Greater market development supported by strategic commissioning and planning of housing and housing related services that meets the accommodation needs, tenure diversification, and lifestyle choices and aspirations of older people
- Integration

A focus on 'age-friendly' neighbourhoods and spatial planning, including land use, and identifying revenue & capital grant funding and other inward investment opportunities to design and build better integrated specialist housing and 'care ready' solutions

- Prevention and Care efficiencies

Work across the wider health and social care economy to develop cost-effective and preventive models of at home care and support that reduce financial pressure and demand on high cost care

- Outcome focussed Improve understanding of how to achieve outcomes that enable personalisation, improved quality of life for older people and enable wider self-care and wellbeing to flourish.

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1 [www.housinglin.org.uk/Topics/browse/Design\\_building/HAPPI2/](http://www.housinglin.org.uk/Topics/browse/Design_building/HAPPI2/)

2 [www.firststopcareadvice.org.uk/](http://www.firststopcareadvice.org.uk/)

3 [www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/?](http://www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/?)

**LA Response:** Comments noted re holistic issues. The report has highlighted the needs of specific groups to be addressed through the preparation of the LPAs Local Plans which may include consideration of the issues identified by the respondent

**Mr Rob Sanderson**

**Defence Infrastructure Organisation**

**Comment:** Based on the work undertaken with Rutland County Council in December 2013, the DIO endorses the SHMA with particular reference to the Armed Forces Personnel sub-section contained within paragraphs 9.45 to 9.57. This is supported by the partnership working between both parties and the resultant statement referred to in paragraph 9.46.

The DIO can confirm that the position on the Service Families Accommodation (SFA) requirement at Kendrew Barracks (Cottesmore) has not changed. A current shortfall of 110 units by April 2016 still remains and will be met by provision of a capital build programme on site. If delivery of the full requirement cannot be achieved by 2016, alternative accommodation at other defence bases will be utilised or there may be a requirement for short term rentals from the open market, until such time as the SFA is available. The number of these would be kept to an absolute minimum and released back to the open market on termination of agreements.

For the Prince William of Gloucester Barracks, Grantham, the provision for the need in SFA to support this site has progressed. The provision has been set in place through a purchase of 62 open market units from Barratt/David Wilson Homes at DeVessey Village, Sleaford. It is therefore suggested that the statement be updated to reflect this position. Given the significant new build in the area, this number is still deemed to have a negligible effect on the local market.

The position on future predictions of SFA needs beyond the immediate requirement remains unchanged. Forecasting is difficult and thus the continued assumption is that provision will be accommodated on MOD land. However, there is no requirement for Service families to occupy SFA and they may choose to purchase (or rent) their own property, whilst some may require affordable housing (shared equity, etc), if they are in need.

With regard to the conclusions set out in paragraphs 9.57 and 9.58, the DIO supports the wording and has no further comment to make.

**LA Response:** Comments noted.

**Mr Peter Dutton**

**Gladman Developments**

**Comment:** When assessing the affordable housing needs of the sub-region the SHMA refers to the role of the private rented sector in meeting affordable housing needs. In this regard we remind the Councils that the private rented sector is not defined as a form of affordable housing in the Framework and should not be used to make up shortages in affordable housing supply. Relying on the private rented sector to meet the Councils' affordable housing needs will only serve to project shortages in affordable housing stock forward, without addressing the issue.

**LA Response:** The report clearly states that private rented housing is not a recognised genuine affordable product, but the subsidy system provided by the Local Housing Allowance helps meet the shortfall of genuinely affordable housing. To clarify this point the wording of paragraph 7.79 has been amended.

Are there any key issues which you feel are not addressed in the conclusions and recommendations in the final chapter of the SHMA? Do you agree with the range of overall housing provision suggested in that chapter for the councils?

**Mr Ron Simpson**

**Comment:** The opportunities presented by self build are perhaps understated for Rutland.

**LA Response:** Comments noted. Additional information has been added regarding self-build opportunities across the HMA.

**Taylor Wimpey**

**Comment:** Taylor Wimpey welcomes the recognition that past demographic growth in Rutland has been constrained to a greater degree than other parts of the HMA. It is therefore essential that this approach to housing provision in the past is not allowed to be perpetuated and that sufficient provision is made for additional housing in the future. If this is not done there is a real danger that newly forming households will be thwarted in their attempts to access the housing market at an affordable price, preventing families from moving onto larger accommodation and enabling the elderly to downsize. It will also increase the need and demand for affordable housing. For this reason it is considered that 180 dpa should be the base figure for Rutland to which should be added the shortfall which has arisen between 2006 -12 (155 no.) and an appropriate allowance for armed forces personnel living off base.

**LA Response:** As set out in more detailed responses to earlier questions it is not considered necessary to make an allowance for historical shortfall in housing delivery or armed forces personnel.

**Mrs Angela Cavill-Burch**

**Comment:** At the next stage of how the Councils can fulfil their obligations, some thinking outside the box is needed. More use needs to be made of "flat pack" housing especially for those with specialised housing needs, more space for less cost, better heating, eco designs. Faster build as well. More detailed work needs to be done on the suitability of care home, extra care facilities for the housing of wheelchair users. Older wheelchair users may need less rooms but those rooms that they do have will need to be bigger, so do not assume downsizing is the answer to all older people.

**LA Response:** Comments noted.

**Mr Graeme Law**

**Milton (Peterborough) Estates Company**

**Comment:** The Report comes up with a 'base' housing need figure for Peterborough significantly lower than the PCC Development Plan. This is interesting given the recent independent public examination of, and approval of, Peterborough's Core Strategy. While it appears that Peterborough delivered only 71% of its housing target for 2006-2012, this covers a period before the higher housing targets for Peterborough came into force, followed by a period of rapid national economic and housing recession. There is a clear need for Peterborough to stop looking backwards at poor delivery during bad times, and start looking forward to what it can do to deliver the housing targets already agreed in Development Plans as economic conditions start to improve. The presentation revealed the existence of a 'Memorandum of Agreement' 'transferring' 2,500 units of 'unmet housing need' from Cambridge HMA to Peterborough HMA. This is a significant quantity - the equivalent of an Urban Extension! Both the summary document and the presentation failed to clarify either the democratic or planning basis for this major decision, or the consequences for services, amenities etc. The summary report is unclear on the date of/for such a transfer, or how this will actually work in the housing 'market place'. Such a change, without action by Councils to facilitate delivery, may well increase the likelihood of continued under-delivery. The SHMA document seeks to balance housing and employment, with a stated desire to use this to reduce commuting. In response to questioning at the meeting on transfer of any equivalent 'unmet employment need' sufficient to balance the transfer of 'unmet housing need', it was asserted that there was not any 'unmet employment need'. It appears logical that if you have transferred 2,500 extra homes by 2036, but no extra jobs, then extra commuting is the likely outcome. It would be helpful to have a clear indication that there is sufficient free highway, utility, educational and service capacity and also for the LEP to confirm that there is no need for additional employment to match the transferred housing. The analysis needs to be clearer on the size and nature of existing imbalances between housing and employment and the extent to which adjusting housing supply alone can deliver a reduction in commuting

**LA Response:** A key output of the SHMA is to set out the objectively assessed need for housing. Infrastructure provision, economic strategy and outcommuting are policy considerations that will be assessed as part of any future review of the Peterborough Development Plan, working closely with HMA partners. Further information on the Memorandum of Co-operation between the local authorities in the Cambridge Housing Market Area can be found here: <http://www.fenland.gov.uk/CHttpHandler.ashx?id=8586&amp;p=0> and here <http://www.fenland.gov.uk/CHttpHandler.ashx?id=8950&amp;p=0>.

#### Larkfleet Homes

**Comment:** The conclusion that PROJ 2A (adjusted Headship) projections is the most suitable is disputed. Of the three approaches to modelling future changes to headship rates the Part Return to Trend is preferred as this best meets the objectives of the Framework in that it provides a greater opportunity for suppressed housing demand to be met within the plan period.

This means the starting point of the projection would be some 2,602 dwellings and to this additional housing needs to be added to address unmet needs in London and the Cambridge HMA. For the latter this would be in the order of 125 dwellings according to the Duty to Cooperate statement. The dwelling requirement would also need to be increased to meet the 350 - 800 additional migrants that are likely to result from the impact of the emerging London Plan. Assuming a 2.3 p/dw average household size, this would crudely equate to 350 dwellings a year.

This would suggest a total requirement of roughly 3,075 dwellings a year (2,600 + 125 +350).

Unlike the conclusions to the SHMA it is considered that the market signals would support a higher level of dwelling provision throughout the HMA and not just in Rutland, although it is agreed that the case is strongest for additional provision in Rutland.

Suggest a distribution that could achieve the delivery of this number of dwellings. As required by the Framework, care would need to be taken as to the location of sites allocated to achieve this level of completions and sites are identified of sizes that are deliverable by the market. This means that there should not be an undue reliance on a small number of large scale allocations.

**LA Response:** DLP concludes by saying that a figure of 2,602 should be the start point – this being based on part-return to trend headship rates. This method is not appropriate in Peterborough where international migration has been a more significant component of population growth than has been seen across the country generally. DLP also suggests there should be an uplift for London migration. The migration figures in the SHMA projections are already significantly above trend-based figures (as evidenced by the new 2012-based SNPP). We consider that contributing to meeting an unmet need from London, if this is considered appropriate, should be considered as a separate issue from defining the OAN for this HMA specifically.

#### Stamford Property Co

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**Sandie Burns**

**Disability Peterborough**

**Comment:** Executive summary paras 3.13 and 3.14

- Given the extremely large predicted rise in Older and Disabled people the SHMA does not give any detail on how these predicted needs will be met
- People with dementia do not reflect the needs of physically disabled people who need accessible housing. Dementia gives rise to care/supervision needs where physical disabilities relate more to the built environment and the need for Lifetime homes

Executive summary para 3.15

- How many disabled people are currently on the waiting list for re housing in Peterborough?
- The 48 identified units appears to be very low.
- How many Lifetime standard homes have been built in Peterborough in the last 5 years?
- Older/disabled people often ask for bungalows as they are the only type of accessible housing that they know of, what other types of properties are available that meet access needs and how are these communicated to older and disabled people?

Executive summary para 3.16

- It appears that very little consideration has been given in the draft main report about accessible housing for disabled people. What is the local need and have local disabled people been involved in the production of this report?

- Has the Care and Repair Service and the allocations team been involved in the preparation of this report as they have up to date data that could be extremely useful for future planning needs

Main report para 1.30

Disabled people are much more likely to live in poverty. Three out of every ten disabled adults of working age are living in poverty in Britain – a higher proportion than a decade ago and double the rate among non-disabled adults. This fact needs to be taken into consideration when planning affordable housing.

Main report para 7.25

- What are the other needs? How does this relate to disabled people? How much could be saved from Care and Repair if Lifetime homes are built as standard practice?

Main report para 7.52

- Disabled people are worse off financially than non-disabled people. Councils and other public authorities have a duty to promote equal opportunities for disabled people and must consider the needs of disabled people in all their services and functions. It is not clear the draft strategy how this will be achieved?

Main report paras 9.7 to 9.9

- Why are RSLs allowed to charge large rents for this type of accommodation?

- Cross Keys new development charges £200 per week for a one bedroom accessible flat, extra care is available but is charged on top of the rent, putting the cost of living in such accommodation out of the reach of most people.

This type of accommodation is needed but firm plans need to be made to keep the cost of rent at an affordable level.

Main report para 9.10

Older people and disabled people have very similar access needs. What are the RSLs doing to provide this type of accommodation? Have the future plans of the RSLs been taken into account?

Main report paras 9.11 and 9.25

Do people mean this or do they really mean accessible? Lifetime home can be over several floors as long as they have the accessible entry e.g. reliable lifts etc.

**LA Response:** In line with guidance, considerable information has been included on the needs of specific groups in the population. This is in Chapter 9 of SHMA report, much of which relates to the needs of people with disabilities. Additional information where it is available has been added to the report.

The report has highlighted the needs of specific groups to be addressed through the preparation of the LPAs Local Plans which may include consideration of the issues identified by the respondent.

#### Natural England

#### Natural England

**Comment:** Since the SHMA focuses on an assessment of housing need across the sub-region, and does not propose locations for development, Natural England has no substantive comments to make on the consultation document. However, we have provided some points below for the relevant Local Planning Authorities to consider at the housing allocation stage, to help ensure that Natural England's interests are fully considered. These interests include the protection and enhancement of biodiversity; geodiversity; landscape character and quality; green infrastructure; access to open spaces and soils.

**LA Response:** Comments noted.

#### Mr Ron Simpson

**Comment:** A valuable piece of work.

**LA Response:** Comment noted.

#### Taylor Wimpey

**Comment:** Tables 9 and 10 provide information on vacancy rates. It is particularly notable that the figures for Rutland are not only significantly higher than the average for the HMA but also higher than the regions and England as a whole. The most up-to-date figure for Rutland taken from the 2011 Census (6.7%) is also much higher than the Valuation Office's figures (4.2%). It is unclear how, if at all, this figure has been incorporated into the calculations of the need for new homes. As it has a significant impact on the availability of homes in the area it is imperative that it is dealt with as an additional element.

**LA Response:** The issue of vacancy rates is dealt with in the report appendices (paragraph 1.32) and the analysis undertaken has been based on a detailed interrogation of vacancy levels working with Rutland County Council.

#### Mrs Angela Cavill-Burch

**Comment:** In the early sections of the report, (page 17) it is reported that a local Peterborough aim is to build 20% lifetime standard homes where a development has 15+ houses and 2% wheelchair standard in schemes over 50 dwellings, I would suggest that this standard has led to next to no such buildings being built and where they should be built, developers have argued through profit motives not to build such. It is stated that SHDC has no plans at all which is very disappointing, I think this is a reflection of a lack of knowledge of specialised housing needs and therefore easier to stick head in sand and hope it all goes away. Can I please implore all of the councils to seek more specialised advice in this area from researchers in Habinteg, Papworth Trust and other disability groups including your own local one in Peterborough. Please work with experts in the field such as Habinteg regarding accessible and lifetime housing to complete this report. Read my blog about the problems we have encountered <http://onmybiketoo.blogspot.co.uk> Understanding the real needs of older and disabled people is a specialised area which I feel this company were probably unqualified to report back on, I therefore recommend that a further specialised report is commissioned to educate all the involved council players on this specialised area. Having been on the receiving end of the councils housing policy for the last 5 years, what you are doing now is not working well and will continue to fail those that are the most vulnerable in our society.

**LA Response:** Comments noted. The number of Lifetime Homes (LTH) and wheelchair adapted homes that are provided as new affordable homes are monitored for Peterborough. For the five year period from 2009-10 to 2013-14 just under 35% of all new affordable homes were built to LTH standards and just over 1% were built as fully wheelchair adapted homes. While the number of new wheelchair homes provided is low, this is not necessarily a reflection of a failure to meet policy requirements regarding the provision of 2% wheelchair adapted homes on sites of 50 or more homes. Many affordable homes are provided on sites which have a total number of homes that is below the threshold for the wheelchair adapted homes policy. Adult Social Care in Peterborough are currently preparing an accommodation strategy for people with support needs. This strategy will include the accommodation needs of older people, people with physical disabilities, people with learning disabilities, people with mental health support needs and people with a sensory impairment. This strategy

will look at access to a range of accommodation types from market tenures to affordable housing tenures (including extra care housing) and residential and nursing care. It is hoped that this strategy will be completed by the end of the year.

**Mr Mark Deas**

**Cambs ACRE**

**Comment:** The SHMA's role is to underpin policy development. However, analysis and policy making are part of an iterative process. For example, Peterborough CC has a rural housing strategy. It is not clear how the current draft SHMA could be used to monitor and update the strategy? Whilst the SHMA should not dictate policy it could perhaps be stronger in drawing out potential policy implications.

**LA Response:** Additional information on rural housing in the HMA has been added.

**Mr Graeme Law**

**Milton (Peterborough) Estates Company**

**Comment:** The document seeks to look forward to 2036 - twenty two years into the future. Experience suggests that precise predictions of this type are very difficult to get right. It is the equivalent of seeking to predict, in 1992, (in the era of John Major and George Bush Senior, prior to the end of the Cold War and the start of the first Rio Summit on the Environment), the state of the world today. In that context, while the identification of general housing trends can be useful, over-detailed prescriptions can be unhelpful.

**LA Response:** Comments noted.

**Broadgate Homes Ltd**

**Comment:** Comments are based on the tests set out in Section 10 of the draft SHMA, in particular Test 3: Does the level or location of housing provision need to be adjusted to support sustainable commuting or ensure that housing does not constrain economic growth?  
Given that job creation forecasts are notoriously difficult, Broadgate would agree that the economic driven projections do not suggest that there is a need to increase housing supply in order to ensure that the economy is not constrained. If monitoring were to suggest that this is the case, then relevant policies can be adjusted to address the issue.

**LA Response:** Comments noted.

**Larkfleet Homes**

**Comment:** Review of Practice and Guidance  
Although the Peterborough Sub Regional SHMA reviews both the framework and the National Planning Practice Guidance (NPPG) it is considered that some elements of the national guidance need to be brought to the fore in order that the SHMA fully addresses them.  
National Planning Policy Framework  
In summary the Framework requires that:  
a. Planning should proactively drive and support sustainable economic development to deliver the homes that the country needs. The Framework requires that every effort should be made, objectively, to identify and then meet the housing needs of an area and take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of these needs (paragraph 17)  
b. That Local Authorities should significantly boost the supply of housing (paragraph 47).  
c. That housing applications should be considered in the context of the presumption in favour of sustainable development and that policies regarding the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites (paragraph 49)  
d. That the evidence base for the objective assessment of housing needs should be adequate, up to date and relevant (paragraph 158) and include Strategic Housing Market Assessments (SHMA) for the whole of the housing market area taking into account household and population projections including migration and demographic change (paragraph 159).  
e. That the Objectively Assessed Need for housing has to be determined prior to applying any constraints or engaging the duty to cooperate (paragraphs 152 and 179).  
The approach to Objectively Assessed Need in the Framework

In determining the Objectively Assessed Need for housing the Framework requires that this should be based upon a consideration of demographic projections and trends (paragraph 159 of the Framework) as well as meeting demand. The assessment also needs to consider the needs of the economy so that planning is not an impediment to sustainable growth (paragraph 19).

Local planning authorities are required to ensure that their assessment of, and strategies for, housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals (paragraph 158).

The Framework sets out a clear process for local authorities to follow to set a housing requirement for their local plan. The first is to produce a SHMA to assess the full needs for the Housing Market Area (paragraph 159). This should:

- a. Meet projected needs taking account migration;
- b. Assess needs for all types of housing;
- c. Provides the scale of supply to meet housing demand.

The Framework then sets out how to proceed from establishing this objectively assessed housing need to determine the housing requirement. This second part of the procedure consists of three stages, these being:

- a. test alternative strategies to meet this need in full (Framework paragraph 152) including working with other authorities to meet these needs across local authority boundaries (Framework paragraph 179);
- b. consideration of measures to mitigate negative impacts if these are unavoidable (Framework paragraph 152);
- c. consideration of compensatory measures where mitigation measures are not possible (Framework paragraph 152).

A fuller explanation of the interpretation of the Framework with regard to the Objective Assessment of the Need for Housing is set out in the National Planning Policy Guidance.

The National Planning Policy Guidance

The Guidance warns that evidence which dates back several years, such as that drawn from revoked regional strategies may not adequately reflect current needs. (Paragraph: 030 Reference ID: 3-030-20140306).

In such circumstances where evidence in Local Plans has become outdated and policies in emerging plans are not yet capable of carrying sufficient weight, then the Guidance suggests that the following should be considered:

- a. Information provided in the latest full assessment of housing needs.
- b. Where there is no robust recent assessment of full housing needs, the household projections published by the Department for Communities and Local Government should be used as the starting point

The starting point for the Objective Assessment of Housing Need is the Household Projections published by the Department for Communities and Local Government. These are trend based and do not predict the impact that future Government policies, changing economic circumstances or other factors might have on demographic behaviour. As such 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:

- a. Household 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.
- b. Unmet housing need - evidence of the extent to which household formation rates are or have been constrained by supply will need to be taken into account.

Local needs assessments should be informed by the latest available information and a meaningful change in the housing situation should be considered in the context of the requirement for the Local Plans to be kept up-to-date.

In respect of the most recent 2011-based Interim Household Projections, these only extend to 2021, so plan makers need to assess likely trends after this date.

The Guidance confirms that the household projections produced by the Department for Communities and Local Government are statistically robust and are based on nationally consistent assumptions but suggests that plan makers may consider sensitivity testing, specific to their local circumstances, based on alternative assumptions in relation to the underlying demographic projections and household formation rates. Such testing should take into account the most recent demographic evidence including the latest Office of National Statistics population estimates.

Changes from the DCLG projections are required to be clearly explained and justified on the basis of established sources of robust evidence.

Issues to be taken into consideration concerning whether the DCLG projections are appropriate include:

- a. Migration levels

- b. Demographic structure that may be affected by local circumstances or policies
  - c. Employment trends - in such circumstances - where the supply of working age population that is economically active (labour force supply) is less than the projected job growth plan-makers will need to consider how the location of new housing or infrastructure development could help address these problems.
  - d. Market signals - the housing need number suggested by household projections (the starting point) should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Prices or rents rising faster than the national/local average may well indicate particular market undersupply relative to demand. Relevant signals may include the following:
    - i. Land Prices
    - ii. House Prices - longer term changes may indicate an imbalance between the demand for and the supply of housing.
    - iii. Mix adjusted house prices (adjusted to allow for the different types of houses sold in each period) measure inflation in house prices.
    - iv. Rents - the Office for National Statistics publishes a monthly Private Rental Index.
    - v. Affordability - the Department for Communities and Local Government publishes quarterly the ratio of lower quartile house price to lower quartile earnings by local authority district.
    - vi. Rate of Development - if the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan.
    - vii. Overcrowding - the number of households accepted as homeless and in temporary accommodation is published in the quarterly Statutory Homelessness release.
- In respect of market signals, plan-makers should not attempt to estimate the precise impact of an increase in housing supply but should increase planned supply by an amount that, on reasonable assumptions and consistent with principles of sustainable development, could be expected to improve affordability, and monitor the response of the market over the plan period.

In areas where an upward adjustment is required, plan-makers should set this adjustment at a level that is reasonable. The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be.

Any cross-boundary migration assumptions, particularly where one area decides to assume a lower internal migration figure than the housing market area figures suggest, will need to be agreed with the other relevant local planning authority under the duty to cooperate. Failure to do so will mean that there would be an increase in unmet housing need.

#### Conclusion on the approach to an Objectively Assessed Need for Housing

In summary the Framework provides a clear approach which should inform decisions not just upon the interpretation of the results of a SHMA but should also be taken into account within the SHMA process when choices are made regarding alternative assumptions, including:

- a. The objective is to provide a supply of housing to meet needs of both this and future generations (paragraph 7)
- b. It is an objective of the Government to provide the dwellings that the country needs.
- c. There is also the requirement to increase the opportunity for home ownership based upon not just current but also future demographic trends, market trends and the needs of different groups in the community (paragraph 50)
- d. The planning system does everything it can to support sustainable economic growth. Planning should operate to encourage and not act as an impediment to sustainable growth. Therefore significant weight should be placed on the need to support economic growth through the planning system (paragraph 19).
- e. Finally, the general approach is for plans to be positively prepared.

These principles should not be applied to the outcome of the projections but should inform the choices of assumptions made as part of the process of modelling the objectively assessed need. The consequence of applying these principles to the modelling process are as follows:

- a. Where there is a choice regarding the appropriate level of migration then the level which best assists in meeting the needs of the country as a whole should be chosen.
- b. Where there is a choice of reasonable alternatives regarding the future propensity of persons to form households then the requirement to increase the opportunity for home ownership and plan positively requires one to choose the more favourable assumption that would allow more, rather than fewer, persons to form their own households and achieve home ownership (Framework paragraphs 7 and 50).
- c. Where there are a number of reasonable projections of future employment growth then one should plan to accommodate the highest of these projections as to fail to do so might actually contribute to these higher levels of growth not being achieved (Framework paragraphs 14 and 19).
- d. As required by paragraph 152 of the Framework and confirmed in the Hunston Properties decisions ([2013] EWCA Civ 1610) once an objectively assessed need has been

arrived at following these principles then the housing requirement maybe set at less than the need if:

- i. Any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole; or specific policies in the Framework indicate development should be restricted, and
- ii. The council has engaged the duty to cooperate (Framework paragraphs 178 to 181) so that these needs are met elsewhere so as to fulfil the core principle of the delivering the homes the country needs (paragraph 17).

It is of concern that while the choice of assumptions in the SHMA may be supported by evidence, the selection of assumptions and alternatives are not the most appropriate given the above guidance.

**LA Response:** Comments noted.

## Stamford Property Co

### **Comment:** Review of Practice and Guidance

Although the Peterborough Sub Regional SHMA reviews both the framework and the National Planning Practice Guidance (NPPG) it is considered that some elements of the national guidance need to be brought to the fore in order that the SHMA fully addresses them.

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- c. That housing applications should be considered in the context of the presumption in favour of sustainable development and that policies regarding the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites (paragraph 49)
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- e. That the Objectively Assessed Need for housing has to be determined prior to applying any constrains or engaging the duty to cooperate (paragraphs 152 and 179).

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In determining the Objectively Assessed Need for housing the Framework requires that this should be based upon a consideration of demographic projections and trends (paragraph 159 of the Framework) as well as meeting demand. The assessment also needs to consider the needs of the economy so that planning is not an impediment to sustainable growth (paragraph 19).

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a. Household 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.

b. Unmet housing need - evidence of the extent to which household formation rates are or have been constrained by supply will need to be taken into account.

Local needs assessments should be informed by the latest available information and a meaningful change in the housing situation should be considered in the context of the requirement for the Local Plans to be kept up-to-date.

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vii. Overcrowding - the number of households accepted as homeless and in temporary accommodation is published in the quarterly Statutory Homelessness release.

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- c. There is also the requirement to increase the opportunity for home ownership based upon not just current but also future demographic trends, market trends and the needs of different groups in the community (paragraph 50)
- d. The planning system does everything it can to support sustainable economic growth. Planning should operate to encourage and not act as an impediment to sustainable growth. Therefore significant weight should be placed on the need to support economic growth through the planning system (paragraph 19).
- e. Finally, the general approach is for plans to be positively prepared.

These principles should not be applied to the outcome of the projections but should inform the choices of assumptions made as part of the process of modelling the objectively assessed need. The consequence of applying these principles to the modelling process are as follows:

- a. Where there is a choice regarding the appropriate level of migration then the level which best assists in meeting the needs of the country as a whole should be chosen.
- b. Where there is a choice of reasonable alternatives regarding the future propensity of persons to form households then the requirement to increase the opportunity for home ownership and plan positively requires one to choose the more favourable assumption that would allow more, rather than fewer, persons to form their own households and achieve home ownership (Framework paragraphs 7 and 50).
- c. Where there are a number of reasonable projections of future employment growth then one should plan to accommodate the highest of these projections as to fail to do so might actually contribute to these higher levels of growth not being achieved (Framework paragraphs 14 and 19).
- d. As required by paragraph 152 of the Framework and confirmed in the Hunston Properties decisions ([2013] EWCA Civ 1610) once an objectively assessed need has been arrived at following these principles then the housing requirement maybe set at less than the need if:
  - i. Any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole; or specific policies in the Framework indicate development should be restricted, and
  - ii. The council has engaged the duty to cooperate (Framework paragraphs 178 to 181) so that these needs are met elsewhere so as to fulfil the core principle of the delivering the homes the country needs (paragraph 17).

It is of concern that while the choice of assumptions in the SHMA may be supported by evidence, the selection of assumptions and alternatives are not the most appropriate given the above guidance.

**LA Response:** Comments noted.

**Mr Peter Dutton**

**Gladman Developments**

**Comment:** The National Planning Policy Framework (The Framework) has been with us now for two years and identifies a clear process that must be followed when identifying and meeting objectively assessed housing needs, principally set out in §47, §159, §152 and §14 of the Framework. The starting point of this process should be the preparation of a SHMA to identify the full objectively assessed needs for market and affordable housing in the housing market area. Once the Council has identified its objectively assessed needs these should be met in full unless adverse impacts would significantly and demonstrably outweigh the benefits of doing so. As the Council is aware the Government recently published its suite of Planning Practice Guidance (PPG), including further guidance on Housing and Economic Development Needs Assessments. This now provides further guidance on how the Government expects the requirements of the Framework to be interpreted when identifying objectively

assessed housing needs to which the sub-region authorities must ensure they have paid due regard through the preparation of the SHMA. Key points from this document include:

- Household projections published by the Department for Communities and Local Government should provide the starting point estimate of overall housing need
- Plan makers should not apply constraints to the overall assessment of need, such as limitations imposed by the supply of land for new development, historic underperformance, infrastructure or environmental constraints.
- Household projection based estimates of housing need may need adjusting to reflect factors affecting local demography and household formation rates which are not captured by past trends, for example historic suppression by under supply and worsening affordability of housing. The assessment will need to reflect the consequences of past under delivery and the extent to which household formation rates have been constrained by supply.
- Plan makers need to consider increasing their housing numbers where the supply of working age population is less than projected job growth, potentially resulting in unsustainable commuting patterns and reducing the resilience of local businesses.
- Housing needs indicated by household projections should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings.
- The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed, and the larger the additional supply response should be.
- The total affordable housing need should be considered in the context of its likely delivery as 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 to deliver the required number of affordable homes.

It is also important to remember that the process of identifying and meeting objectively assessed housing needs should be undertaken with full regard to the Duty to Cooperate, as set out in Section 33A of the 2004 Planning and Compulsory Purchase Act. If the housing needs of the sub-region Councils cannot be met within their areas then these should be picked up in neighbouring authority areas, and vice versa. The Duty to Cooperate should be undertaken with meaningful results. The need to accommodate cross boundary housing needs should be fully reflected in the Councils' housing requirements.

**LA Response:** Comments noted.

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