

Pre-Hearing Statement for Hearing on 10th and 11th December 2013:

The Housing Requirement and all matters relating to the Strategic Housing Market Assessment – in response to the Inspector's Questions in ID/42

1. Questions for Pre-hearing Statements

- 1.1. The reasonableness of the Council's assessment of housing needs has to be judged against the NPPF and, either the CLG's Strategic Housing Market Assessments Practice Guidance 2007 v2 or the NPPG.
- 1.2. While the CLG guidance of 2007 is rather dated, the current draft of the NPPG has limited weight as it is to be given weight only where the proposed plan has not yet been submitted for examination.
- 1.3. Given the fact that the final version of the NPPG is due for publication in the next few weeks it may be helpful if the Inspector permits brief additional comments in advance of the hearing if the final NPPG differs markedly from the current draft.

2. Population Projections.

- 2.1. I agree with other representors that BNES current projections underestimate the continuing impact of net in-migration and therefore the current population projections are unsound. In order to make the population projections reasonable recalculations are needed to take account of the following factors;
 - The 2012 mid-year ONS suggests a figure of more than 1800 for migration and other changes (more than three times BNES proposed rolling figure of 522. This needs to be taken into account in a recalculation.
 - The past under-delivery of both market and more particularly affordable housing¹ over the period has suppressed migration and ORS's failure to take this into account suppresses the population projections. It is not appropriate to use a methodology linked to past migration trends to inform a housing target where it is likely that migration levels have been suppressed by the under-provision of housing. This issue was presented in more detail in Bath and North East Somerset March 2013 Draft Strategic Housing Market Assessment Review – a brief critique of the methodology employed, by Pioneer Housing and Development Consultants submitted as part of Wedco's representations on the 7th May 2013.
 - Having regard to all the circumstances, the solution is either to recalculate, taking the above factors into consideration, or to adopt the high trend migration figure after adjusting for the 2012 mid-year ONS.
- 2.2. The above actions would also help to address other deficiencies (see housing numbers and more particularly affordable housing).

¹ 'It is evident that the failure in terms of the delivery of affordable housing is especially acute with 565 units having been supplied between 2001 and the latest Annual Monitoring Report, against a requirement of 5,047 units between 2002 and 2009.' Appeal Ref: APP/F0114/A/12/2171418. Land South of Orchard View, Sleep Lane, Whitchurch BS14 0QW Paragraph 12.

3. Household/Dwelling Projections.

- 3.1. Other representors are making more detailed analytical representations on BNES household dwelling projections, which I support, however there are two steps that BNES should be asked to take in order to allow those taking part in the hearings to understand the process has led to BNES proposed household projections and at the same time increase the transparency of the consultation process:
- At the Sleep Lane Whitchurch Appeal, in October 2012, BNES planning policy officer Richard Walker, under cross-examination by Christopher Boyle stated that the household dwelling projections at that time suggested a need for 16,000 homes. The Inspector referred to this in his decision at paragraph 24¹.
 - How was this number reduced by more than 3,000 homes by the time that the schedule of changes to the Core Strategy was considered by full Council on the 4th of March 2014?
 - The development of the Core Strategy has been co-ordinated by BNES Core Strategy Steering Group, a group whose meetings are not open to the public, whose composition is unknown and minutes of which are not published.
- 3.2. In order to ensure that the household/dwelling projections are justifiable, in accordance with NPPF paragraph 182 bullet 2, minutes of these meetings should be made available to the representors and to the wider public in advance of the hearings on the 10th and 11th of December.
- 3.3. In the event that no records were kept, then ORS should make available their own records of meetings with BNES, including the CS Steering Group. It is presumed that ORS will have maintained clear records of such meetings and requested changes to their report in order to comply with their professional indemnity insurance.
- 3.4. Turning to the question of unmet need it was explicitly accepted by ORS at the SHMA technical seminar that the data had identified circa 500 hidden households, at least this number should be added to the under-delivery backlog.
- 3.5. The Inspector in ID42 at paragraph 3.15 asks whether the assessment of the housing requirement should include any *'bottom up modelling for the different spatial areas or assessment by settlement in rural areas?'*
- 3.6. Paragraphs 7, 28, 54 and 55 of the NPPF are all relevant here and oblige LPAs to plan to sustain communities, develop a dynamic labour force and plan for housing developments to meet local needs in rural areas.
- 3.7. It is argued that BNES has not adequately met these obligations, by failing to plan to meet housing needs in key areas. For example the 984 homes proposed for the rural areas would be insufficient to align with the Council's economic aspirations for the

¹ 'Whether this part of the draft CS is re-examined on the resumption of the examination, or not, it is very clear that the draft CS will have to be subject to radical changes. In particular, there may be a need to identify land for up to 16,000 houses'. Appeal Ref: APP/F0114/A/12/2171418. Land South of Orchard View, Sleep Lane, Whitchurch BS14 0QW Paragraph 24.

rural areas, which would require an additional 2,882 homes over 18 years or 1,446 homes simply to maintain the current employment base in these areas.

- 3.8. These calculations were originally presented in Pioneer Housing and Development Consultants Housing Requirements Report submitted as part of Wedco's representations on the 7th May 2013.

4. Labour Supply for Planned Growth.

- 4.1. Wedco concurs with the Inspector and other representors that if, as in BNES 43, the figure for employment growth is based on job growth of 15% of the West of England target then it is necessary to add rather than subtract 2,800 jobs to replace those relocating to Filton.
- 4.2. Finally, while BNES have posited their SHMA on the basis of the LPA boundary, some account needs to be taken of the fact that much of the housing in the North East Somerset part of BNES services Bristol employment.
- 4.3. Otherwise Wedco concurs with the arguments presented by Pegasus, Savills, RPS and other major consultancies.

5. Affordable Housing.

- 5.1. ORS's SHMA addendum 1b places great emphasis on the role of private sector rentals as suppliers of intermediate affordable housing and cites the high 2011 census data that shows increases in the numbers of households renting from private landlords.
- 5.2. During the SHMA technical seminar, ORS staff were questioned over the assumption that this makes reasonable provision for intermediate housing needs. The reply was that the assumption was based on a statistical argument; that for a given sample of say, 1,000 privately rented dwellings a proportion will be rented at below market rents and therefore amount to provision of intermediate housing. This argument is specious:
- It does not attempt to quantify the level of housing which is actually rented at, say, 70% of market rent.
 - The 2011 figures are inflated by the lack of available mortgage lending forcing households into the private rental sector.
 - The assumption has not been tested to check the proportion of private lettings that were the result of developers resorting to the private rental market as a way of meeting their financial obligations at a time when sales activity was depressed by economic circumstances.
 - By way of example in 2011 Ashlar Group companies were letting circa 55 unsold dwellings. By the end of 2013 that number will be no more than 11, as sales activity has recovered sharply in the eleven months or so from January 2013 in particular.

- Private sector rentals are by way of assured shorthold tenancies which are not protected or long term and do not provide secure homes for households. Can these really be considered as intermediate social housing?
 - BNES assumption does not reflect the high level of demand for shared equity homes, from family households with incomes of between £20,000pa and £30,000 pa.
- 5.3. For the plan to be found sound in regard to provision of affordable homes the CS must plan to make provision for a mix of affordable homes that reflects an objectively measured level of demand. For the above reasons Wedco does not believe that BNES approach complies with government guidance as found in the NPPF, the SHMA 2007 guidance or the NPPG.

6. Student Housing.

- 6.1. Wedco concurs with the arguments presented by Pegasus, Savills, RPS and other major consultancies and with the addition of the following point.
- 6.2. In March 2012, Sheila Sawyer of Ashlar Group contacted both Bath University and Bath Spa University to see what data was available on the proportion of graduates remaining in the area post graduation. While Bath Spa University stated that as a relatively new institution without a long history of alumni relations they could not offer any opinion a more useful response was received from Bath University's alumni office.

From: Molly Southwood <m.southwood@bath.ac.uk>
Organization: University of Bath
Date: Wed, 27 Mar 2013 09:35:44 -0000
To: 'Sheila Sawyer' <Sheila@ashlargroup.co.uk>
Subject: RE: Bath University Statistics

Dear Sheila,

It's a rough estimate, but we believe about 20-25% of University of Bath graduates remain in the Bath/Bristol area. That includes all living graduates since 1966.

I hope that helps,

Kind regards,

Molly

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- 6.3. In order to be found sound in relation to student housing BNES needs to undertake an active dialogue with the local universities in order to ascertain, rather than assume, the proportion of former students likely to establish homes in the HMA area for the duration of the plan period.

7. Calculating the Overall Housing Requirement.

- 7.1. In Wedco's opinion the planned provision of 12,700 homes is an undersupply and the true need is for rather more than the 16,000 homes suggested by Pioneer Housing in the reports to which reference is made earlier in this note. The plan also needs to take account of the 2012 mid year migration figures, as part of a more realistic recalculation as part of a revised ORS forecast.