

To: Chris Banks [REDACTED]
Richard Walker [REDACTED]
From: Robert Sawyer for Wedco Limited (Representor 110) [REDACTED]
cc: Neville Harvey for Wedco Limited [REDACTED]
Chris Beaver [REDACTED]
Denis Barry [REDACTED]
Zoe Stiles [REDACTED]
Sheila Sawyer [REDACTED]

5th September 2013.

**Re: Brief Final Response Notes Prior to the Hearing Scheduled for the 17th September 2013
–The Scope of the Strategic Housing Market Assessment (SHMA). Proposed Change Ref.
SPC13 (Also relates to Proposed Changes SPC14, SPC23, SPC178, SPC179, SPC180)**

1. Prior to the SHMA seminar on the 2nd of August, B&NES released addendum 1a (on the 30th of July 2013) and addendum 1b (on the 31st July 2013), which comprise BNES 44.
 - 1.1. This additional information was made available by the Council at extremely short notice and gave insufficient time for respondents to provide a fulsome response. This was reflected in the quality of the discussion at the meeting.
 - 1.2. While these documents were helpful, it still appears that the lack of housing delivery has suppressed the level of migration and that it may therefore not be appropriate to consider a past trend projection as being indicative of an 'objectively assessed need'. It is not clear that that the additional work has undertaken any approaches to try and mitigate this possibility and, where appropriate, to mitigate it.
 - 1.3. ORS have not updated their economic led projections which (as previously expressed) in the SHMA representation from Wedco Limited are simply wrong. While there is a little more detail, in addendum 1a, about economic activity rates, on the face of it these do not look to be realistic. For example using the mid migration estimate ORS seem to be saying that changes in economic activity rates will see a 9,000+ increase in the workforce – this seems very high.
 - 1.4. A quick glance at Addendum 1b suggests that ORS consider that they have now factored into consideration the impact of the private rented sector. However they seem to still apply the assumption that any supply from this source will simply address intermediate affordable housing requirements as opposed to also taking into consideration that subsidised PRS can just as easily (and in line with Government thinking) address rented social housing requirements.
 - 1.5. In failing to do this the Social Rent / Intermediate dwelling split is likely to be skewed in favour of rented social housing and may fail to address the objective requirements of households requiring Intermediate housing - it is not apparent that the projections take into consideration the choices households actually make in this regard, and particularly newly forming households.
 - 1.6. In the context of the above there is no specific consideration of the demand for and need for intermediate housing provided by way of shared equity purchase or

discounted market housing.

- 1.7. Finally, a key issue is still that the documents continue to treat B&NES district only and there may still be a high possibility of failure under the Duty to Co-operate although it is our understanding that Mendip are keen to get into dialogue with BANES.
2. During the seminar participants raised a number of issues. No record of the seminar has been received by e-mail or can be found on the website. My handwritten notes record the following concerns (I have excluded those already raised in the Wedco SHMA representations:
 - 2.1. ONS 2011-2012 mid year figures for migration are not taken into account and should be included as they are significantly higher than those used by ORS.
 - 2.2. Economic activity rates are drawn from UK data. Is it really reasonable to apply these to B&NES and, by implication, neighbouring authorities. The available local evidence suggests that B&NES economic activity rates are higher than national levels. ORS did explain that this was not intended to be a labour force study.
 - 2.3. The 2011 household numbers projections are likely to have been unduly influenced by recession and one cannot assume the recessionary effects will last until 2030 or thereabouts.
 - 2.4. Additionally, the substantial shortfall in affordable and market housing supply reduces household formation and results in the creation of 'hidden households'. At Wedco we have personal experience of the 'hidden household' issue as, with our development partners Curo, we have just obtained consent for an affordable housing led development of 36 houses in a rural location, with a majority of respondents supporting the development coming from multi generational households and those who have been forced out of their community by high home prices and rental rates. These multiple headship households are not collated as part of the ONS data. Roger Daniels for Pegasus asked for a starting point for concealed homelessness and hidden households. ORS responded that this could be carried out and hopefully will form part of the additional material to be reported on the 13th September.
 - 2.5. With regard to Addendum 1b there was discussion on the reliance placed on the private rented sector to provide intermediate housing.
 - 2.5.1. In this connection the ORS position is that that of every 1,000 privately owned homes for rent 75% will be above the market price threshold quartile. Therefore 250 will be sub-market rental housing and constitute intermediate housing. This argument is facile and does not meet the 'objective assessment criterion for a 'sound' SHMA. This argument fails to take account of a number of factors:
 - 2.5.2. Private sector rentals do not afford longevity or security of tenure as after the initial period two months notice is standard.
 - 2.5.3. This untested assumption fails to take account of the number of 'landlords by necessity'. In 2010 as a Director of Ashlar Group Limited we were letting circa forty apartments in Bristol that we had built but could not sell because of the mortgage famine. Today we are letting sixteen. By next Spring that figure should be zero. This

reliance on the private rental sector is posited on a continuing recession.

3. Other EIP decisions on Core Strategy Examinations.
 - 3.1. I note the Hart District Examination (PINS/L2250/429/5), 26th July 2013, where the Inspector, in finding the strategy 'unsound' emphasised the fact in paragraph 5 that Government household projections are a benchmark but do not constitute a full objectively assessed needs for housing within the district. The Inspector made a number of other observations that may be relevant to consideration of B&NES revised Core Strategy including; the duty to co-operate (paragraphs 6 and 8, the duty to assess unmet housing need arising from neighbouring LPA's (paragraph 10), with Bristol's need being particularly relevant in North East Somerset.
 - 3.2. I also noted the Dacorum Examination (PINS/A1910/429/4), 22nd June 2012 where the Inspector did not question household projections as providing a 'sound' basis for assessing the housing number requirement.
 - 3.3. However in paragraph 13 the Inspector noted the fact that the draft Core Strategy suggested a figure of 10,750 dwellings for the plan period. However in that case the CILG 2008 projection was 13,457 dwellings, rather closer to Dacorum's suggested supply figure than the B&NES CILG projection of the same time.
4. Finally, confused by the length of the evidence trail and the lack of any clear evidence of any clear justification for the assumptions that B&NES have incorporated into their draft SHMA and the targets chosen from a range of ORS projections I have searched the minutes for the full Council Meetings, Housing and Major Projects Policy Development and Scrutiny Panel Meetings and Cabinet Meetings for the duration of the preparation of the revised Core Strategy post June 2012.
 - 4.1. I can find no discussion of the debate over the housing and jobs targets adopted in the revised Core Strategy presented to the full council on the 4th March.
 - 4.2. There are references to a Local Development Framework Steering Group, who has advised the above bodies. I understand this group consists of a few senior councilors and members of the planning policy team.
 - 4.3. In other authorities (Hart, Broxbourne, Rotherham and Bournemouth) minutes of the meetings of LDF Steering Groups are published and, I assume, are open to the public in line with requirements for transparent and open consultation.
 - 4.4. Given the importance of discovering whether the SHMA methodology, out-turn housing and jobs numbers are justifiable I think it is essential that dates of, attendant members and staff, and minutes are made available. This will avoid the need for a FOIA request and potential further delays in the LDF process.