

Houndhill Courtyard
Houndhill, Marchington
Staffordshire ST14 8LN
Telephone: 01283 820040 Fax: 01283 821226
email office@jvhplanning.co.uk

J1/47/1

Submission on Behalf of Redrow Homes Midlands.

Telford and Wrekin Local Plan Examination

Matter 1 Housing

1.1 Is the Council's full objective assessment of housing needs (totalling 9,940 homes for the Plan period) sufficiently justified in line with the National Planning Policy Framework (the Framework) and Planning Practice Guidance (PPG)? Has appropriate account been taken of demographic and economic information, as well as market signals? Has an assessment been made of affordable housing needs as part of this process? Can the Council explain and justify the timing of the release of the updated SHMA document? How does this relate to the previous SHMA document?

1 OAN

I set out in this section the conclusions of Mr Roland Bolton of DLP on behalf of Redrow with regard to the OAN. I also attach as Appendix 1 to this submission the updated report of Mr Bolton which brings our position up to date following his report submitted with the objections to the Plan in March this year.

- 5.1 We have reviewed all the most recent evidence including the 2014 DCLG household projections and conclude that while these represent the starting point there are a number of reasons that justify a higher rate of housing provision. These are summarised as follows:
- a. Recent rates of in migration have been suppressed and a return to both the higher rates of housing delivery and the higher rates of net migration appear not only possible but entirely realistic given recent rates of completions and last year's migration figures.
 - b. There is an imbalance between projected employment growth and housing provision. Making suitable allowances for increased activity rates, lower levels of unemployment, and double jobbing a substantial uplift in housing would be required to meet this level of job growth. This would suggest a minimum requirement of 888 dwellings a year. The fact that housing delivery has already increased alongside recent employment growth would support this conclusion. Dwellings completions are currently averaging 900 dwellings a year over the last five years.

- c. Indicators of affordability including a substantial backlog of affordable housing also support a higher level of housing than that being suggested by the DCLG 2014 projections.
- d.

To meet the average of the three most recent projections of employment growth of 693 jobs a year would be required an average of 888 dwellings a year. This is our lower assessment of need, but taking into account market signals including the need to provide affordable housing and recent build rates then the more appropriate requirement would be **900 dwellings a year**.

In respect of the OAHN Report (March 2015), this is based upon the lower 2012 DCLG projections, and we consider that the report is based on the following assumptions that have led it to underestimating the future level of housing need in the area:

- e. The Experian baseline model assumes an increase of the working population of 4,900 whilst the 2012 SNPP on which it is based suggests a fall of 4,900 persons in these age groups. This appears to be adding approximately 10,000 persons to the working age population
- f. The Experian baseline model produces changes to commuting patterns but provides no evidence as to why this is likely to happen. This approach is contrary to that adopted by previous Inspectors and in our opinion would need to be subject to the duty to cooperate with those areas likely to be affected.
- g. The Experian baseline model produces a level of double jobbing of 26% of all new jobs compared to available evidence which suggests a level of 4% but provides no evidence as to why this is likely to happen.

The differences between the two sets of assumptions are summarised below:

Table 1 Summary of difference between approaches

Projection (000's)	Experian Baseline 2015 (497 dwellings)	SPRU (888 dwellings)
Working age population	4.9	5.8
Resident labour force (for SPRU this includes impact of increase activity rates including pension age changes)	4.3	6.7
Unemployment	-4.2	4.2
Resident based Employment	8.5	10.6
Net Commuting (for SPRU commuting ratios are held constant)	3.6	0.9
Workplace based employment	12.1	11.5
Double jobbing	4.3	0.6
Job growth	16.3	12.0

Source: OAHN report (March 2015) & SPRU Chelmer results (may not sum due to rounding)

- 5.1 Our projection is derived from the DCLG projections and the increase in dwelling provision proposed is commensurate both with historic and current build rates it also reflects the level of migration that has occurred previously and this level appears to be returning. This level of provision will also address issues of affordability including increasing the level of affordable housing to meet the substantial backlog.
- 5.2 Lastly the provision of 900 dwellings a year would boost significantly the supply of housing as required by paragraph 47. The suggestion that an annual rate of provision of just 497 dwellings a year would meet this policy aspiration when the most recent rate of delivery was 1,255 dwellings lacks credibility.

2 Affordable Housing

In response to the question about affordable homes we would comments as follows.

There are several SHMA documents available. The latest of which is the ARC 4 document of 2016 which appeared on the website at the end of the local plan consultation and about which we have expressed our concerns along with other parties.

This document Ref C2bi sets out at Table ES2 that there is an affordable need of 665 affordable dwellings per annum. It is very difficult to understand how a housing OAN and subsequent strategy set at 778 dwellings per annum is going to achieve the level of affordable homes required in the latest SHMA. It is noted that this affordable requirement is acute in Newport [Page 77 of C2bi Table 7.2]

There should clearly be an uplift in the overall housing numbers to assist in the delivery of the required affordable homes and particular in Newport where the scale of the imbalance is set out in the SHMA extract below

Although the vast majority of need is in Telford, the relative scale of need per 1,000 households is greater in Newport and the Rural Area (Telford has an annual net imbalance of 8.1 dwellings per 1,000 households compared with 19.5 per 1,000 households in Newport and 17.5 per 1,000 households in the Rural Area.)

The Document C2bii which is an addendum regarding the affordable housing needs

simply adds to the confusion on this matter, of alternative SHMAs it appears to be stating that the ^{11/47/1}

original SHMA included a different set of assumptions on affordable housing to the current SHMA

This part of the documentation is far from transparent and appears to be contradictory and needs to be clearly explained in order to support the strategy in the Plan

1.4

Can an adequate and flexible supply of housing land be demonstrated in respect of (1) the Local Plan's housing target and (2) the five year housing land supply as required by the Framework and PPG? In both of these cases, are the components of housing supply clearly set out and appropriately justified? [Inspector's note: It is suggested that the Council revises its Housing Land Supply Statement¹ to cover the components of overall land supply (through the Local Plan period) and to update five year land supply data to accord with the Plan's proposed housing requirement.]

3 Supply

3.1 It is not clear why in the Councils Document G5 the Council assess the five year housing requirement on the basis of the annual requirement being some 497 dwellings per annum.

Clearly this is not the requirement set out in the Plan in Policy HO1 which sets the housing requirement at 15,555 dwellings per annum or 778 dwellings per annum. Table 2 therefore of G5 is irrelevant to the consideration of delivery against the Local Plan target which is then correctly set out in Table 3.

3.2 Table 3 Table 3 indicates that over the first five years of the plan period the completions average almost 900 dwellings per annum. What is clear about the delivery rates is that in the period from 2006 the Council has significantly underperformed against the earlier WMRPG figures until 2013. The WMRPG requirement being 1,300 units per annum 2006 to 2011. This is a relevant to consideration of the application of the relevant buffer being applied to the housing figures, on the basis of the under performance .This should be a 20% buffer.

3.3 It is not accepted that the housing figures from 2006 to 2011 should be regarded as a maxima . The Panel's Report into the Stage 2 of the RSS clearly indicated the figures should be regarded as targets. Taken over the last 10 years the Council have underperformed therefore on 7 out of 10 years of delivery and the level of under delivery in the period from 2006 to 2011 was very significant being over 3,000 dwellings. The Council should therefore be regarded as a 20% Authority ; a matter that was recently endorsed by the Inspector in the Haygate Road Wellington Planning Appeal. Furthermore the delivery rate since 2011 has not been tested against the correct OAN and until the final OAN figure is clearly established through testing it is not clear if there has been further under deliver in that period from 2011 to 2016. The document at G5 at para 3.3.3 incorrectly adds the buffer to the figure of 497 rather than to 778.

3.4 Table 4 of GD5 sets out the quantum of deliverable sites. The sources of the supply include the sites under construction, and with planning permission, in addition to sites with a resolution to grant consent and allocations in the Plan. There is also an allowance for small sites and other deliverable sites The details of the sites are set out in schedules at the back of the document. The summary table of the land supply is not accepted as an accurate reflection of the position in the District for the following reasons:-

i

The supply figure from the major sites is incorrect and includes a wide variety of erroneous assumptions. The Council have included annual delivery rates for housebuilders which cannot be supported. Our research indicates that national housebuilders will deliver on average 35 dwellings per annum, regional builders 26 per annum and local builders 12 per annum .

The Council have inflated the supply by over assumptions on the build rates which are not supported by local evidence. J1/47/1

supported by local evidence.

ii

The Council have in addition failed to build into the supply the realistic lead in times; the time required to achieve planning permission, reserved matters approval , conditions discharge , buildings regulations approvals, site mobilisation and infrastructure preparation .The failure to account for the proper timescales involved in the planning and development process has the effect of over inflating the supply figures and five year delivery rates.

iii

The Council have included the majority of the housing allocations within the five year land supply despite the fact that some of these sites are the subject of objections and may not be ratified within the Local Plan

iv

The Council have added into the supply the total of the small sites both under construction and with permission without any evidence of discounting the sites for non-delivery. Non delivery of small sites should be calculated at a 70% delivery rate.

4 **Housing provision Over the Plan period.**

It is not clear how some of the figures in Table 6 have been arrived at or indeed how they can be checked as there is a degree of overlap between the allocations and sites with planning permission. It is not clear where and if there is justification for 450 windfall sites.

Furthermore there is no overall flexibility allowance added to the plan requirement to take account of the report of the LPEG group findings. In order for the Plan to be sound the assumptions in Table 6

need to be clearly set out with supporting site schedules to ensure that there is no double counting between sites with planning permission and allocated sites, and with the resolution to grant and the allocated sites. The housing numbers in table 7 are not easy to reconcile with the site availability schedules in the Appendix.

4.1 We do not agree with the figures set out in Table 7 as to the deliverable supply position. We consider that there is maximum of 4,570 units within the 5 years supply based on realistic delivery rates and site outputs, and discussions held with the housebuilding industry and landowners. A schedule is attached at Appendix 2[figures without prejudice to any further information that becomes available]

4.2 On the basis of the above we do not consider that the plan includes sufficient flexibility. There should be within the Plan a flexibility target applied to the Plans full housing requirement of 20%. There is also insufficient flexibility in the site allocations both in terms of the number of homes that sites will deliver but also because a large percentage of the allocations are owned either by the Council or the HCA. This rather skewed position leads to serious delays in the release of sites given the uncertainties of the mechanisms employed by the Council and the HCA to bring land to the market and that any changes to land disposal strategies would have a marked effect onsite release.

4.3 The components of the land supply are not adequately set out or reasoned. The Plan cannot be found sound unless it is clear that a five year land supply is available on adoption of the Plan. That supply must deal with delivery and lead in times in a proper manner.

1.5 Are adequate safeguards in place to address any unanticipated shortfalls in housing supply during the Plan period?

5 Policy H03 of the Plan indicates that if delivery is likely to fail then the Council will implement measures to increase the supply of sites potentially through a review of the Local Plan.

The Policy should be clear that if the Council cannot maintain a five year land supply then it will bring forward sites that will meet the gap in the supply immediately. This could work through a list of reserved sites that would be noted as deliverable sites. A review of the Local Plan is not the answer to maintaining the supply, the process and length of time to review a plan is extensive and a more pragmatic approach needs to be taken to ensure the housing land supply is maintained and that homes are delivered to boost the land supply in accordance with the Framework.

The LEPG recommendations comment as set out

- ii. *Local Plans should make a further allowance; equivalent to 20% of their housing requirement, in developable reserve sites as far as is consistent with the policies set out in this Framework, for a minimum fifteen year period from the date of plan adoption, including the first five years (this recommendation does not apply where it has been demonstrated that a local authority does not have sufficient environmental capacity to exceed its local plan requirement). The purpose of reserve sites is to provide extra flexibility to respond to change (for example, to address unmet needs) and/or to help address any actions required as a result of the Government's proposed housing delivery test.*
- iii. *Local Plans should contain a policy mechanism for the release of reserve sites in the event that monitoring concludes that there is less than 5 years housing land supply or there is a need to address unmet needs;*

Appendices

- 1 Report of Mr Roland Bolton on the OAN October 20016
- 2 Housing Land Supply schedules denoting the Redrow Position.

