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HEARING STATEMENT

Guildford Borough Council Local Plan Examination

SUBMITTED ON BEHALF OF MILLER DEVELOPMENTS

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1 INTRODUCTION

- 1.1 This statement has been prepared on behalf of Miller Developments (“Miller”) who are responsible for the promotion of a residential development at Hook Farm and Hunts Farm, Fairlands (Land Availability Assessment Reference: 2072).
- 1.2 For the submitted Local Plan, representations have been duly made throughout its production. Where possible, we seek to avoid repetition of these previously made representations and cross-reference where appropriate. Furthermore, Miller has been involved throughout the Examination in Public of the Local Plan, with representations made to and attendance at relevant hearing sessions and subsequent representations made to the Council’s proposed Main Modifications. The following Statement should be read in the context of, and in conjunction with these earlier made submissions.
- 1.3 The scope of this Statement covers those questions posed by the Inspector within his resumed hearings matters and issues paper (doc ref: ID/12).

2 QUESTION 1

The appropriateness of using 2016-based household projections for the basis of Guildford’s Local Plan

- 2.1 Paragraph 159 of the 2012 National Planning Policy Framework (NPPF) states that local planning authorities should prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The SHMA should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period, including that to meet household and population projections, taking account of migration and demographic change.
- 2.2 Paragraph 158 of the Framework states that this evidence should be adequate, up-to-date and relevant. Furthermore, relevant Planning Practice Guidance (PPG) to this Examination¹ states that wherever possible, local need assessments should be informed by the latest available information, assumed by the Council to be the 2016-based household projections published by ONS on 20 September 2018. However, the PPG is also clear in highlighting the shortcomings of these projections in failing to account for a number of factors that might impact demographic behaviour².

¹ Archived Planning Practice Guidance – Housing and economic development needs assessment Ref: 2a-016-20150227

² Ref: 2a-015-20140306

- 2.3 Government has rightly highlighted the shortcomings of the 2016-based household projections in its recent technical consultation on updates to national planning policy and guidance.
- 2.4 Whilst it is correct to highlight that this consultation is concerning policy and guidance outside of this Examination, it does not remove the deficiencies raised in regard to the 2016-based projections and therefore the 'adequacy' of them as evidence to inform the Council's assessment of need. This should also be read in conjunction with the statement of the ONS "What our household projections really show". , dated 19 October.
- 2.5 The approach used by ONS to generate the projections differs from that used for the 2014-based figures in that the 2016-based figures project forward from a shorter base period, this means the 2016 projections are more susceptible to short term variations. This has produced a radical reduction in household projections across the country, with overall growth per annum reducing from a projected 210,000 households per annum to 159,000 households per annum.
- 2.6 In previous household projections, the results were informed by trends over the period since 1971. A key change in the method for the 2016-based household projections is to take trends from the 2001 and 2011 Censuses only.
- 2.7 By using such a short period (2001-11) the projections inherently 'bake in' the implications of a period that saw a dramatic fall in housebuilding to its lowest levels in modern history and a rise in affordability problems, a substantial increase in concealed families, and an increasing number of adults living at home. In that sense, they have an endogenous circularity. This is particularly true for an area such as Guildford Borough Council, where there has been a recognised, significant, chronic suppression in housing delivery (including affordable provision) compared to need.
- 2.8 Whilst the 2016 projections are valuable from a statistical viewpoint, they project forward trends that Government policy is explicitly seeking to reverse, raising significant questions whether they are fit for purpose. The principles behind the proposed changes within Government's technical consultation remain relevant to all housing need assessment.
- 2.9 This matter has been considered at recent Examinations across the Country. In the Examinations of the Aylesbury Vale Local Plan, the Inspector concluded that it was inappropriate to apply the 2016-based projections for the very reasons provided in the Government technical consultation and ONS's October Statement, despite a fall in housing need across the HMA as a whole.
- 2.10 In North Hertfordshire, the Council has responded to the Inspector's questioning on this matter similarly, confirming no intention of amending their Plan in response to the the latest projections due to the "*considerable uncertainty surrounding the recent projections and their implications*", whilst also raising concern it would result in a Plan that would not "*represent a positive response to the 2012 NPPF's ambitions to "boost significantly the supply of housing"*". In both cases, early reviews were already proposed.

2.11 Whilst it is the preference of Guildford Borough Council to seek an opportunity to 'race to the bottom' in terms of its housing need, it would not be appropriate in this case to use the 2016-based projections as the basis for assessing housing need.

3 QUESTION 2

Whether the calculation set out in the Council's paper "Update to OAN Assessment in Guildford as a result of the 2016-based Household Projections" (GBC-LPSS-033b) is an appropriate basis for calculating the OAN. Projections"

3.1 For the reasons provided above, Miller believes it inappropriate for the Council to base its calculation of OAN on the 2016-base household projections.

3.2 Miller does not wish to provide detailed comments on the methodology used by GBC as other parties have covered this at length during the Examination.

4 QUESTION 3

The implications of the Council's paper "GBC note on OAN following the 2016- based Household Projections" (GBC-LPSS-033a).

4.1 Given the shortcomings detailed above, there is no justification for the reduction in the overall housing requirement to the Local Plan. Given the conclusions of the Inspector to-date, to reduce the requirement to the level proposed by the Council in its note would irrefutably result in an unsound Plan.

4.2 The Inspector has already provided guidance on the OAN, the housing requirement and housing delivery in the first five years of the Plan. The rationale for the suggestion that the Council should seek additional site allocations was to improve supply of housing in the early years of the Plan that would, in turn address the significant shortfall in market affordability³.

4.3 As is shown in Appendix 1 of the Council's note⁴, the removal of these 'additional' sites would result in a failure to address the backlog of housing delivery against need/requirement until 2024/25, even when set against the Council's proposed lower figure.

4.4 This would fail to comply the recommendations of the Inspector for the Council address the chronic unaffordability early in the Plan period.

³ See paragraph 10 of ID-005 and paragraphs 14-15 of ID-006.

⁴ GBC-LPSS-033a

4.5 There are a number of alternative sites that could be allocated in the Plan that could be delivered within its first five years, including the site promoted by Miller, that would help address this backlog far sooner and contribute towards addressing a worsening affordability.

5 QUESTION 4

Whether it is possible at this point in time to come to conclusions on the issue of Woking's OAN and any unmet need

5.1 The conclusions reached by the Inspector to-date on Woking Borough Council's unmet need remain pertinent. The Council is again seeking to undertake an assessment of the OAN for Woking this time using the 2016-projections. The Inspector has made this clear at paragraph 11 of ID-006 that this is outside of the remit of this Examination. The evidence to-date clearly maintains an existing and continuing unmet need for Woking.

5.2 Miller supports the recent High Court judgement⁵ supporting the conclusions of the Inspector, and subsequently Waverley Borough Council, in relation to accommodating unmet need from Woking. Paragraphs 54-56 of the judgement support the belief that the treatment of housing projections for (in that case) Waverley and Woking are carried out in two very different contexts and therefore an assessment of Woking's full OAN is outside of the remit of that, and this, Examination.

5.3 Even in attempting to recalculate Woking's unmet need using the Standard Methodology, the Council has failed to take into account the contents of Government's technical consultation on the Standard Methodology⁵. This concludes that the 2016-based projections are neither a sound basis for use in the calculation of, nor a justification for seeking to lower housing need.

5.4 Accordingly, the Inspector is correct here to apply his planning judgement and allocate a proportion of unmet need from Woking to Guildford, as he did at Waverley and as supported by the High Court. The Inspector has appreciated that Guildford is more policy constrained than Waverley and has therefore appropriately applied a proportionately lower figure⁶.

⁵ CPRE Surrey & Anor v Waverley Borough Council & Ors [2018] EWHC 2969

⁶ Paragraph 57 of the judgement appreciates that the 50% figure applied to Waverley Borough Council might very well end up being "*conservative*" and "*relatively low*".

6 QUESTION 5

Whether in view of current uncertainties (especially with regard to item 4) it would be appropriate to insert a review mechanism into the plan and if so, how it would be phrased.

- 6.1 Miller strongly supports the principle of an early review mechanism built in to the Local Plan given the number of outstanding issues concerning its effectiveness. Should the Inspector be minded to find the Plan sound, subject to a Main Modifications that do not significantly alter the proposed housing requirement and allocations to meet that requirement, then a review mechanism around the delivery of sites should be incorporated.
- 6.2 Affordability, particularly in the early years of the Plan, is a significant issue highlighted throughout the Examination. Accordingly, it is important that those sites identified for delivery in the first five years of the Plan be closely monitored to ensure they are delivered timely and fulfil their purpose in providing a high percentage of affordable homes.
- 6.3 Logically, this could follow the same pathway set out for the Housing Delivery Test, as introduced under the 2018 NPPF. Should housing delivery fall below 75% of the requirement, the Council should undertake an immediate review of the Local Plan.
- 6.4 This would be a particularly pertinent option for Guildford Borough Council where the majority of its strategic housing allocations are 'back-ended' due to extensive infrastructure requirements; i.e. scheduled to come forward in the latter years of the plan period. Whilst a number of deliverable sites not recognised by the Local Plan exist, they are constrained by their location within the Green Belt, a designation that covers the vast majority of the Borough outside of settlement boundaries. Any presumption in favour of sustainable development associated with a failure to demonstrate a five-year supply of housing⁷, or through the Housing Delivery Test, would not effectively result in sustainable development sites coming forward because of this constraint.
- 6.5 These additional, deliverable sites need the Council to be proactive in its plan-making functions, keeping the Local Plan up-to-date. This has not always been the case in the Borough, with this being the first Local Plan to come forward since 2003⁸. Whilst there is a statutory requirement for the Local Plan to be updated every five years, should it become evident at an early stage that this Plan is not effective, the review process should begin immediately.

⁷ As has been the case in Guildford for a number of years.

⁸ This intervening 15 year period being a whole plan period in itself and goes a long way to explaining the chronic historical under-delivery of housing and the associated issues of unaffordability.

6.6 Any review mechanism should also incorporate any impacts that might arise if the A3 RIS scheme is either delayed or cancelled. Such events would have a significant adverse impact on the delivery of strategic sites within the Plan period and alternative sites that do not rely on these upgrades will need to be identified.