Guildford Borough Council

NOTE ON OAN, CONTRIBUTION TO WOKING'S NEED AND DELIVERING HOUSING IN THE EARLY YEARS OF THE PLAN

Introduction

- 1. This note addresses these issues in the context of a putative OAN of 620 dpa; an assessment by way of the 'Liverpool' method; and a desire, if possible, to contribute towards Woking's unmet need. As indicated at the close of Wednesday's session¹ (i.e. that a note would be provided) it is GBC's preliminary response to the Inspector's preliminary conclusions.
- 2. This Note should be read in the context of the Council's previous notes, particularly its summary response to issues arising in relation to OAN [GBC-LPSS-010; 7th June 2018] and its position statement on housing trajectory and 5YHLS [GBC-LPSS-012; 12th June 2018]

OAN = 620

- 3. The Council makes 5 points.
- 4. <u>First</u>, the Council notes that an OAN of 620 dpa represents an uplift of just below 47% on its demographic need of 422 dpa, so well above the cap in the draft methodology and nearly twice that determined for Waverley BC. (Reference again to the "triangulation" points at paragraph 3 of its position statement.)
- 5. <u>Second</u>, whilst the Council maintains its position as per its previous note, and concerns as to such a high uplift, it recognises the need for a significant step change in housing provision, provided that is reasonable and consistent with the many other factors it has alluded to, in order to make inroads into backlog, affordability and affordable housing. It also recognises the need to account for students (albeit that was included in its preferred 594 dpa figure). This recognition remains subject to concerns of practicality.
- 6. Whilst listening to some of the rhetoric and criticism of the Council's stance, especially in the first week, one might be forgiven for giving consideration to meeting an OAN in the regions up to 620dpa represents a change of position in principle. It does not. Unlike some of those attending the examination hearings, the Council's consideration of the issues has had to be holistic (i.e. taking account of other constraints) whilst also grappling with its past failures in respect of housing supply and the need to address backlog, affordability and need for affordable housing. The Council has sought to meet its OAN; accepted it is a 20% authority; and has not sought to, nor been criticised for, playing down the issues faced by the Council, including in relation to affordability. The dispute has been concerned with what to do about them. The Council's decision to allocate sufficient land to meet its OAN notwithstanding the GB/AONB/ecological

¹ 13/06/2018

constraints is expressly premised on these factors and underlies its approach. That this is so is confirmed by the lack of any suggestion from the Council to remove sites from the plan notwithstanding the extent of supply forecast for the end of the plan and by its continued desire to seek to increase early years' delivery – if appropriate.

- 7. Third, and subject to issues on supply, it considers that it may be possible to provide a reasonably robust 5YHLS based on a non-phased Liverpool approach at 620 dpa OAN. At present GBC considers not to get above 5.7 in the first five years is not sufficiently robust and, whist it does not accept the Forum's comments on supply for the reasons GBC has given, it has born them in mind in reaching this conclusion.
- 8. Attached at Appendix 1 is an illustration of such an approach, which should be read subject to the same caveats as other previously submitted illustrations. However, importantly, currently as noted above it is still concerned as to the robustness of the early years supply. The Council is giving further consideration to this figure and its context before reaching any final view as to its robustness. But its current work in response to the Inspector's requests may alleviate (or at least reduce) that concern. In general terms, it is hoped that a sound basis for meeting this figure can be maintained.
- 9. It remains of the view that if the OAN were higher, or other factors intervened, an overall stepped approach would be justified but that it may no longer be necessary to apply a stepped approach in the limited context of meeting an OAN of 620.
- 10. <u>Fourth</u>, by way of comparison, at Appendix 2 are two illustrations of un-phased Sedgefield for an OAN of 620 dpa: the first 'straight up' and the second with an increase of 1,000 units in the first five years. It can be seen that, even in the latter case, it is questionable whether a robust supply is available in the first two years. Given the numbers considered (e.g. 1,000) it is simply not possible to get to Sedgefield or near to it in the early years, which illustrates the need for a Liverpool approach. Thereafter the supply eases gradually.
- 11. <u>Fifth</u>, this demonstrates that if additional units are found which could contribute to early delivery then they should be allocated to meet Guildford's needs to whittle down, even if only by a small amount, the difference between Liverpool and Sedgefield. See further below.

Woking's unmet need

- 12. Three issues are raised, which are to an extent inter-related. Should some contribution be made; if so how much; and, if so when.
- 13. As to all three issues GBC submit that the new SNPP figures are a material consideration worthy of some weight. There is at the very least doubt as to what Woking's need actually is now in a real sense, rather than as was calculated in the 2015 SHMA (based on 2012-household projections). Woking's evidence to the examination did not appear

- to have grappled with this change. There is also doubt as to the extent of Woking's Green Belt Review and conclusions drawn from it which are in their infancy.
- 14. As to the first issue whether a contribution should be made , as GBC has stated, it accepts it should seek to meet Woking's needs see paragraphs 9 and 10 of its position statement. But it does submit it is hard to identify a target figure.
- 15. As to the second issue how much assuming some contribution is required, GBC suggests that this should be limited but for the purposes of illustration consider a figure of 30dpa (i.e. a total requirement of 650 dpa).
- 16. The broader justification is that 30 dpa represents an arguably appropriate figure having regard to GBC's environmental constraints (which are greater than Waverley), the uncertainties as to the extent of the unmet need referred to above, and the context of the figure Waverley has met.
- 17. As to the third issue when GBC submit there is no justification for purporting to meet that need now, for the following reasons:
 - (a) The issue is not one of meeting it (whatever 'it' within reasonable bounds is). There is sufficient supply within the plan's allocations to meet that figure over the life of the plan.
 - (b) However, if further sites are found which should/are required to contribute to early supply they are "needed" for Guildford's own needs. I.e. if removal of further sites from the green belt are necessary to boost early supply the priority would first be for Guildford's needs, likewise if further supply is found in the urban area.
 - (c) To classify any portion of supply as being for Woking would belie the reality of Guildford's own needs. And moreover the reality that they would in fact be meeting those needs.
 - (d) Lastly, given the uncertainty over Woking's needs there is at least doubt over establishing exceptional circumstances to justify removal of further green belt land.
- 18. GBC reiterate, as its primary position, its suggestion in its position note, which it repeats here for ease of reference.

"11. Bearing in mind:-

- that the plan will require as a matter of law to be reviewed in 5 years:
- the considerable difficulties in meeting Guildford's own early years requirements; and

when Woking's unmet need is arising

the Council submits that the flexible element of supply Guildford intends to provide for over and above its OAN (wherever in the range of c600-650) will be capable of meeting Woking's needs (if any) that should persist at any roll forward and the Inspector can be confident as to that.

- 12. However, increasing Guildford's housing requirement at this stage by identifying a particular figure that will add to the burden that is required to be produced now (and would not effectively be capable of being reduced if Woking's requirements were to be reduced) is neither necessary nor justified. The exceptional circumstances justifying further green belt releases in Guildford to meet unmet need in Woking are not demonstrated given, amongst other matters, the new SNPP figures for Woking (and that the SNHP for Woking will also be out before the examination is complete) and the uncertainty that exists over the proper ambit of Woking's existing Green Belt Review."
- 19. Alternatively, if that is not considered sufficiently certain, GBC suggests a stepped requirement, beginning to bite in years 6-10 and then rising in years 11-15, so as to provide an effective, say, 650 dpa over the life of the plan. A potential illustration is attached at Appendix 3.
- 20. This would acknowledge Guildford's need for early sites, acknowledge Woking's need, match Waverley's plan in terms of meeting it over the lifetime of GBC's plans (not Woking's) and pay appropriate requirement to the Guidance and the need for certainty. Further it should be made subject to a provision that this step up can be reconsidered in any roll forward of GBC's plan if Woking's demographic requirements were to change thus ensuring that the current uncertainties are not overlooked but considered appropriately against a subsisting requirement if that is required.
- 21. Unlike Mid-Sussex, of which the Inspector is aware, the justification for this approach would not be that the need arises later as there but that the ability to meet that need does not realistically arise till later. However the process would be similar.
- 22. Neither above suggestion should be understood to replace GBC's previously stated concerns (in its topic paper, answer to initial questions and the MIQ) as to the extent to which it should meet Woking's need, if at all. That is why its preference is for its first alternative.

Appendix 1: Liverpool non phased (620)

| | | Pre-ad | option | | | Fi | rst five year | rs | | | | 6-10 YEARS | | | | | Total | | | |
|------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|---------------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|
| | 2015/2016 | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 | 2031/2032 | 2032/2033 | 2033/2034 | |
| LP requirement annualised over | | | | | | | | | | | | | | | | | | | | |
| plan period (2015 - 34) | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 11780 |
| Years remaining | 19 | 18 | 17 | 16 | 15 | 14 | 13 | 12 | 11 | 10 | 9 | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | |
| Supply | 387 | 294 | 319 | 219 | 534 | 771 | 908 | 1152 | 1117 | 857 | 820 | 822 | 871 | 872 | 938 | 937 | 937 | 936 | 935 | 14626 |
| Residual requirement taking | | | | | | | | | | | | | | | | | | | | |
| account of supply to date | | | | | | | | | | | | | | | | | | | | |
| annualised over remaining plan | | | | | | | | | | | | | | | | | | | | |
| period | 620 | 633 | 653 | 674 | 704 | 716 | 712 | 696 | 654 | 608 | 580 | 550 | 511 | 452 | 367 | 225 | -13 | -488 | -1911 | |
| 5 year requirement | 3100 | 3165 | 3264 | 3369 | 3520 | 3581 | 3560 | 3478 | 3271 | 3040 | 2901 | 2751 | 2557 | 2258 | 1837 | 1124 | -63 | -2438 | -9555 | |
| 5 year requirement plus 20% buffer | 3720 | 3798 | 3917 | 4043 | 4224 | 4297 | 4272 | 4174 | 3925 | 3647 | 3481 | 3302 | 3069 | 2709 | 2204 | 1349 | -76 | -2925 | -11466 | |
| 5 year supply | 1753 | 2137 | 2751 | 3584 | 4482 | 4805 | 4854 | 4768 | 4487 | 4242 | 4323 | 4440 | 4555 | 4620 | 4683 | | | | | |
| 5 year housing land supply | 2.36 | 2.81 | 3.51 | 4.43 | 5.30 | 5.59 | 5.68 | 5.71 | 5.72 | 5.82 | 6.21 | 6.72 | 7.42 | 8.53 | 10.62 | | | | | |

Appendix 2:

Sedgefield 620 (no increase in supply)

| ſ | | Pre-ad | option | | First five years | | | | | | | 6-10 YEARS | | | | Total | | | | |
|--------------------------------------|-----------|-----------|-----------|-----------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|
| | 2015/2016 | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 | 2031/2032 | 2032/2033 | 2033/2034 | |
| LP requirement annualised over plan | | | | | | | | | | | | | | | | | | | | |
| period (2015 - 34) | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 11780 |
| Years remaining | 19 | 18 | 17 | 16 | 15 | 14 | 13 | 12 | 11 | 10 | 9 | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | |
| Supply | 387 | 294 | 319 | 219 | 534 | 771 | 908 | 1152 | 1117 | 857 | 820 | 822 | 871 | 872 | 938 | 937 | 937 | 936 | 935 | 14626 |
| Backlog/Surplus | | -233 | -559 | -860 | -1261 | -1347 | -1196 | -908 | -376 | 121 | 358 | 558 | 760 | 1011 | 1263 | 1581 | 1898 | 2215 | 2531 | |
| | | | | | | | | | | | | | | | | | | | | |
| 5 year requirement + backlog/surplus | 3100 | 3333 | 3659 | 3960 | 4361 | 4447 | 4296 | 4008 | 3476 | 2979 | 2742 | 2542 | 2340 | 2089 | 1837 | | | | | |
| 5 year requirement plus 20% buffer | 3720 | 4000 | 4391 | 4752 | 5233 | 5336 | 5155 | 4810 | 4171 | 3575 | 3290 | 3050 | 2808 | 2507 | 2204 | | | | | |
| 5 year supply | 1753 | 2137 | 2751 | 3584 | 4482 | 4805 | 4854 | 4768 | 4487 | 4242 | 4323 | 4440 | 4555 | 4620 | 4683 | | | | | |
| 5 year housing land supply | 2.36 | 2.67 | 3.13 | 3.77 | 4.28 | 4.50 | 4.71 | 4.96 | 5.38 | 5.93 | 6.57 | 7.28 | 8.11 | 9.21 | 10.62 | | | | | |

Sedgefield 620 (increase of 1,000)

| | | Pre-ad | option | | | irst five year | rs | | | | 6-10 YEARS | | | | | 11 - 15 YEARS | ; | | Total | |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|----------------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|---------------|-----------|-----------|-----------|-------|
| | 2015/2016 | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 | 2031/2032 | 2032/2033 | 2033/2034 | |
| LP requirement annualised over plan | | | | | | | | | | | | | | | | | | | | |
| period (2015 - 34) | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 11780 |
| Years remaining | 19 | 18 | 17 | 16 | 15 | 14 | 13 | 12 | 11 | 10 | 9 | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | |
| Supply | 387 | 294 | 319 | 219 | 534 | 1021 | 1158 | 1402 | 1367 | 857 | 820 | 822 | 871 | 872 | 938 | 937 | 937 | 936 | 935 | 15626 |
| Backlog/Surplus | | -233 | -559 | -860 | -1261 | -1347 | -946 | -408 | 374 | 1121 | 1358 | 1558 | 1760 | 2011 | 2263 | 2581 | 2898 | 3215 | 3531 | |
| | | | | | | | | | | | | | | | | | | | | |
| 5 year requirement + backlog/surplus | 3100 | 3333 | 3659 | 3960 | 4361 | 4447 | 4046 | 3508 | 2726 | 1979 | 1742 | 1542 | 1340 | 1089 | 837 | | | | | |
| 5 year requirement plus 20% buffer | 3720 | 4000 | 4391 | 4752 | 5233 | 5336 | 4855 | 4210 | 3271 | 2375 | 2090 | 1850 | 1608 | 1307 | 1004 | | | | | |
| 5 year supply | 1753 | 2387 | 3251 | 4334 | 5482 | 5805 | 5604 | 5268 | 4737 | 4242 | 4323 | 4440 | 4555 | 4620 | 4683 | | | | | |
| 5 year housing land supply | 2.36 | 2.98 | 3.70 | 4.56 | 5.24 | 5.44 | 5.77 | 6.26 | 7.24 | 8.93 | 10.34 | 12.00 | 14.16 | 17.68 | 23.31 | | | | | |
| | | | | | | | | | | | | | | | | | | | | |
| Increase in supply per year | | | | | | 250 | 250 | 250 | 250 | | | | | | | | | • | | 1000 |

Appendix 3: Liverpool stepped up in years 6 - 15 (620, 650, 680)

| | | Pre-ad | option | | First five years | | | | | | | 6-10 YEARS | | | | Total | | | | |
|------------------------------------|-----------|-----------|-----------|-----------|------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|
| | 2015/2016 | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 | 2023/2024 | 2024/2025 | 2025/2026 | 2026/2027 | 2027/2028 | 2028/2029 | 2029/2030 | 2030/2031 | 2031/2032 | 2032/2033 | 2033/2034 | |
| LP requirement annualised over | | | | | | | | | | | | | | | | | | | | i |
| plan period (2015 - 34) | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 620 | 650 | 650 | 650 | 650 | 650 | 680 | 680 | 680 | 680 | 680 | 12230 |
| Years remaining | 19 | 18 | 17 | 16 | 15 | 14 | 13 | 12 | 11 | 10 | 9 | 8 | 7 | 6 | 5 | 4 | 3 | 2 | 1 | |
| Supply | 387 | 294 | 319 | 219 | 534 | 771 | 908 | 1152 | 1117 | 857 | 820 | 822 | 871 | 872 | 938 | 937 | 937 | 936 | 935 | 14626 |
| Residual requirement taking | | | | | | | | | | | | | | | | | | | | |
| account of supply to date | | | | | | | | | | | | | | | | | | | | ı l |
| annualised over remaining plan | | | | | | | | | | | | | | | | | | | | ı |
| period | 644 | 658 | 679 | 702 | 734 | 748 | 747 | 733 | 695 | 653 | 630 | 607 | 576 | 527 | 457 | 337 | 137 | -263 | -1461 | ı |
| 5 year requirement | 3218 | 3290 | 3397 | 3509 | 3670 | 3742 | 3733 | 3666 | 3475 | 3265 | 3151 | 3033 | 2879 | 2633 | 2287 | 1686 | 687 | -1313 | -7305 | |
| 5 year requirement plus 20% buffer | 3862 | 3948 | 4076 | 4211 | 4404 | 4490 | 4480 | 4399 | 4171 | 3917 | 3781 | 3639 | 3454 | 3159 | 2744 | 2024 | 824 | -1575 | -8766 | i |
| 5 year supply | 1753 | 2137 | 2751 | 3584 | 4482 | 4805 | 4854 | 4768 | 4487 | 4242 | 4323 | 4440 | 4555 | 4620 | 4683 | | | | | |
| 5 year housing land supply | 2.27 | 2.71 | 3.37 | 4.26 | 5.09 | 5.35 | 5.42 | 5.42 | 5.38 | 5.41 | 5.72 | 6.10 | 6.59 | 7.31 | 8.53 | | | | | |