

**GUILDFORD BOROUGH COUNCIL LOCAL PLAN
RESUMED HEARINGS**

**GBC-LPSS-036: GBC STATEMENT IN RESPONSE TO MATTERS AND ISSUES AS PER
THE INSPECTOR'S ID-12**

Please note: this response is supplementary to, and should be read alongside, the Council's responses to the Inspector's ID-10 document, including GBC-LPSS-033a, 33b and 33c.

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

Note The Government's recent consultation regarding the continued use of 2014-based household projections is directed solely at plans which use the standard method for calculating OAN and which are being examined under the 2018 NPPF. The consultation has not been directed at transitional plans like the Guildford Local Plan, which are being examined against the policies of the 2012 NPPF and are based on a different approach to OAN calculation. Paragraph 158 of the 2012 NPPF states that Local Plans should be based on adequate, up-to-date and relevant evidence; the 2016-based household projections constitute the most recent evidence.

GBC Response

- 1.1 The Council consider that it is appropriate to use the 2016-based household projections for the basis of Guildford's Local Plan:
- a. As the Inspector recognises, NPPF paragraph 158 requires local planning authorities to “*ensure that the Local Plan is based on adequate, up-to-date and relevant evidence*” (emphasis added). This approach is reinforced in the context of housing need assessments, with the PPG explaining that “*wherever possible, local needs assessments should be informed by the latest available information.*”¹ The 2016-based household projections constitute the latest, most up-to-date information available.
 - b. Moreover, the PPG also expressly stipulated that “*household projections published by the Department for Communities and Local Government [now the ONS] should provide the starting point estimate of overall housing need.*”² The 2016-based figures represent the latest, most up-to-date iteration of the household projections.

¹ Previous PPG (still relevant to this examination) Paragraph: 016 Reference ID: 2a-016-20150227

² Previous PPG (still relevant to this examination) Paragraph: 015 Reference ID: 2a-015-20140306

- c. As explained in Note 33a, the 2016-based household projections make a material difference to the calculation of Guildford's OAN as compared to the 2014-based projections.
- d. The Government's 'Technical consultation on updates to national planning policy and guidance' (October 2018) does not provide a justification for departing from the policy and guidance, stipulating that the latest available household projections should be utilised. In particular:
 - i. First, the 'Technical consultation' is exactly that: a consultation. No changes to policy or guidance have yet been made by the Government, who are yet to respond to the consultation;
 - ii. Second, and crucially, the proposal in the consultation, to utilise the 2014-based household projections for the demographic baseline, applies only in circumstances where the standard method is applicable. As the Guildford Local Plan is being examined against the NPPF 2012 (see NPPF 2018, paragraph 214), and as the applicable PPG guidance is that published prior to the publication of the NPPF 2018³, the standard method is not applicable.
 - iii. Third, it is notable that the 'Technical consultation' does not recommend that the 2014-based household projections be used as the starting point for calculating OAN in respect of local plans subject to the transitional arrangements. The Government could have chosen to make such a recommendation, but did not do so.
 - iv. Fourth, as is explained in Note 33b⁴, the Council has not adopted the 2016-based household projections uncritically. Instead, it has adjusted the household formation rates of younger persons (25-44) back to levels seen in 2001. This adjustment is not a proxy for market signals, but rather to ensure that the Council does not plan for a worsening trend in household formation rates.⁵

³ The current PPG explains as follows: *"Where plans are being prepared under the transitional arrangements set out in Annex 1 to the revised National Planning Policy Framework, the policies in the previous version of the framework published in 2012 will continue to apply, as will any previous guidance which has been superseded since the new framework was published in July 2018."*

⁴ See in particular paragraphs 6-10

⁵ This is consistent with the previous PPG (still relevant to this examination) which explained that *"The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends."* Paragraph: 015 Reference ID: 2a-015-20140306

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 OAN.

GBC response

2.1 The Council maintain that the calculation set out in Note 33b, and summarised in Note 33a, is the appropriate basis for calculating OAN.

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

- **the overall housing requirement set by the plan**
- **the housing trajectory**
- **the 5 year housing land supply**
- **the need for the additional sites included in the main modifications.**

GBC Response

3.1 The implications of the recalculated OAN, taking account of the 2016 household projections, are set out in the Council's papers 33a (and 33c).

3.2 The Council has started work on an updated Land Availability Assessment (LAA), which will be published later this year.

3.3 Although not strictly relevant to the further examination of the Local Plan in the proposed sessions, the evidence currently gathered as part of the LAA indicates that there will be no material deterioration of the 5 year housing land supply position from that previously set out in Note 33a, notwithstanding the amended definitions of 'deliverable' in the NPPF 2018, which, whilst not applicable now, will become so during the life of the plan.

3.4 Furthermore, since the previous examination hearings (and the calculation of the 5 year housing land supply position previously reported in Note 33a), there have been a number of grants of planning permission. Two sites have been granted planning permission for student accommodation since the last set of hearings and are expected to be delivered in full in the first 5 years of the plan period. These permissions provide a material increase in the number of units allocated in the plan. These student units are likely to result in the release of some accommodation into the housing market, which, in accordance with the PPG⁶, should be counted towards the 5 year housing land supply position. Whilst not seeking to re-open the issue of student accommodation, which is not on the agenda for the forthcoming hearings, it is submitted that this gives greater confidence that the 5 year housing land supply position is robust, without the need for the additional sites included within the main modifications.

⁶ Current PPG, Paragraph: 042 Reference ID: 3-042-20180913

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.

GBC response

- 4.1 The current position is clear. As is explained in Note 33c, Woking have formally reviewed their Core Strategy and, applying the standard method with the 2016-based household projections (consistent with the extant guidance), have a local housing need figure that is less than their existing housing requirement (as well as less than they have been delivering in recent years). Accordingly, as Woking have expressly and publically recognised, there is no unmet need arising from their Borough.
- 4.2 It is simply not possible to conclude with any level of confidence whether Woking may have any unmet need in the future if, for example, the Government make changes to the standard method proposed in the 'Technical consultation'. Still less possible is it to make an accurate forecast of what level of unmet need might exist, if any:
- a. First, as noted above, the Government has yet to respond to the 'Technical consultation'. There is no guarantee that the proposals in that consultation will form the basis of future guidance or, for that matter, when the guidance is amended, if at all;
 - b. Second, even if it is assumed that the Government's proposal to apply the 2014-based household projections to the standard method is translated into guidance, then it cannot be assumed Woking will have any unmet need. If this were to increase Woking's local housing need figure considerably, then Woking would have to consider reviewing their Core Strategy again – and in particular their housing requirement figure - in light of the higher local housing need figure.⁷ This may well entail an update, for instance, to their Green Belt study in order to determine whether a higher housing need figure justified the release of further Green Belt land in their area.
 - c. Third, there would only be unmet need from Woking if the local housing need figure exceeded not only the provision made in their Core Strategy, but also the contribution already being made by Waverley's Local Plan.
- 4.3 The potential that Woking may have unmet need at some undefined time in the future simply does not warrant increasing the housing requirement in Guildford's Local Plan. This is particularly the case given that it would entail taking land out of Guildford's Green Belt (in the form of the additional sites included in the main modifications) to meet a need from Woking which currently does not exist and where there can be no confidence that it will exist in the future. Such speculative need comes nowhere near to the exceptional circumstances required to justify amendments to the Green Belt.

⁷ See Planning Practice Guidance, Paragraph: 043 Reference ID: 61-043-20180913

- 4.4 For this ‘in principle’ reason alone, the Council contend that no provision for Woking’s potential unmet need should, or even could, properly be included in the Local Plan’s housing requirement.
- 4.5 Furthermore, even if it is assumed that the Government’s proposal in the ‘Technical consultation’ is translated into guidance and it is assumed Woking fail to review to meet any of the increased need, there would still be no residual unmet need.
- 4.6 Applying the 2014-based household projections to the standard method would result in a local housing need of 409dpa for Woking⁸. With regard to residual unmet need arising from Woking and considering Waverley’s contribution, following the approach (as per GBC-LPSS-033a), but adjusting the plan period to 9 years⁹ (rather than the previous 14), results would be as follows:
- 409 (OAN) – 292 (Woking Core Strategy requirement) = unmet need of 117 dpa
 - 117 dpa multiplied by the remaining 9 years of Woking’s plan period (2018/19 – 2026/27) = 1,053
 - 1,577 (allowance for Woking’s unmet need in Waverley’s Local Plan)
 - 1,053 – 1,577 = excess of 524 homes and therefore no unmet need.
- 4.7 Whilst the Council does not necessarily advance the position, even if Waverley’s contribution to Woking’s unmet need prior to the introduction of the standard method (i.e. 2013/14 – 2017/18) were to be discounted (i.e. 83dpa X 5 = 415 homes), there would still be a surplus on the basis of calculations set above.

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.*

GBC Response

- 5.1 The Council contend that for provisions for early plan review (i.e. review prior to the legislative and NPPF requirement for review¹⁰) to be appropriate as part of a newly

⁸ Current PPG (Paragraph: 004 Reference ID: 2a-004-20180913) states in Step 3: “Where these policies were adopted within the last 5 years (at the point of making the calculation), the local housing need figure is capped at 40% above the average annual housing requirement figure set out in the existing policies. This also applies where the relevant strategic policies have been reviewed by the authority within the 5 year period and found to not require updating.” For this reason if one applies the 2014-based household projections to the Standard Method, Woking’s OAN would be 409 (292 * 1.4)

⁹ This is as the standard method is calculated from the current year and affordability issues are addressed through the affordability ratio uplift.

¹⁰ The NPPF at para 33 indicates that “policies in local plans and spatial development strategies should be reviewed to assess whether they need updating at least once every five years, and should then be updated as necessary.” As per footnote 18, reviews at least every five years are a legal requirement for all local plans (Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012).

adopted Local Plan, there should be an issue with regard to meeting housing need – either local need or in the housing market area.

- 5.2 The main modifications (MM2 at Policy para S2(1)) published for consultation in September – October 2018, provided for a proposed review mechanism in the Local Plan to be triggered by WBC reviewing their Local Plan.
- 5.3 The proposed inclusion of the review mechanism was on the basis of the Inspector’s conclusions that:
- a. at the time, residual unmet need existed in the HMA;
 - b. that Guildford should plan to meet some of this unmet need; however,
 - c. the future extent of contribution was uncertain, particularly bearing in mind that Woking’s Core Strategy (2012) was considered to be out of date and its review was required as per legislative and policy changes. This pending Core Strategy review was considered to have provided an opportunity to test whether Woking could meet more of its local housing need (and potentially reduce scale of unmet need and the contribution that Guildford may need to make to meet it).
- 5.4 The Council now contend that the inclusion of this (or indeed any) review mechanism would be redundant.
- 5.5 In this regard, and relation to (a) above, there is no residual unmet need in the Housing Market Area (nor would there be, even in circumstances where the Government’s most recent proposals are adopted¹¹).
- 5.6 It follows that MM2/Policy paragraph 2(1) is no longer needed in order for the plan to be sound.
- 5.7 Furthermore, given that there is currently no unmet need in the HMA, and it is wholly uncertain whether, and if so to what degree, there will be unmet need in the future it would not be appropriate to include a review mechanism in the Local Plan. In any event, in circumstances where there is currently no residual unmet need, such a mechanism would be ineffectual given that the existing PPG already provides that “[t]here will be occasions where there are significant changes in circumstances which may mean it is necessary to review the relevant strategic policies earlier than the statutory minimum of 5 years, for example, where new cross-boundary matters arise”.¹²

¹¹ As per Government’s technical consultation, point 19 (1).

¹² Current PPG, Paragraph: 043 Reference ID: 61-043-20180913