
Examination into the Vale of White Horse District Local Plan 2031: Part 1 Strategic Sites and Policies

Written Statement on behalf of Ptarmigan Planning Ltd. and Landowners

Hearing Statement: Matter 2

Respondent Reference: 873607

August 2015

**Examination into the Vale of White Horse District Local Plan 2031:
Part 1 Strategic Sites and Policies**

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**Hearing Statement: Matter 2: Objectively Assessed Needs For Housing And
Employment Land**

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1.0 INTRODUCTION

1.1 This statement is submitted to the Examination into the Vale of White Horse District Local Plan 2011-2031: Part 1 on behalf of Ptarmigan Planning Ltd. and Landowners (hereafter referred to 'our Client').

1.2 This statement refers to the following Issue, identified by the Inspector in his Matters and Questions:

- Matter 2 – Objectively Assessed Needs for Housing and Employment Land

2.0 MATTER 2 - OBJECTIVELY ASSESSED NEEDS FOR HOUSING AND EMPLOYMENT LAND

Is the identified objectively-assessed need for housing of 20,560 new dwellings (an average of 1028 per year), as set out in policy CP4, soundly based and supported by robust and credible evidence?

- 2.1 Overall, we broadly support the OAN proposed by the Council and consider the level of housing and job growth to be in balance. However, in order to more fully address the issue of household suppression in the younger age groups (detailed in response to questions 2.1a and 2.1d below) we consider a slight uplift to the proposed OAN may be considered appropriate.
- 2.2 The implication of such an adjustment is not fundamental enough to undermine the Plan or to warrant it “unsound”, but is something that we recommend should be considered through the early review of the Local Plan.

In particular:

(a) Are the SHMA’s demographic adjustments to the 2011 CLG Household Projections soundly based?

- 2.3 At the time the 2014 Oxfordshire SHMA (HOU01) was published (April 2014), the ‘interim’ 2011-based household projections were the most up-to-date available. These projections were ‘interim’ and only projected over a 10-year period. HOU01 acknowledges that the 2011-based household projections include some degree of suppression in headship rates when compared to the previous 2008-based series and on this basis HOU01 applies an adjustment in respect of household formation rate assumptions as set out in Figure 51 (page 93) of HOU01.
- 2.4 To address the issue of suppression, the assessment of housing need in **HOU01** uses 2008-based household formation rates, rebased to 2011, across all age groups.
- 2.5 We are now able to draw upon the updated full (25-year) 2012-based household projections (published 27 February 2015). The 2012-based household formation rates continue to show suppression in household formation particularly for those aged 25-34 and 35-44 years, when compared to the 2008-based rates (see Appendix 2.1).

- 2.6 For this reason it is considered that an adjustment to the underlying household formation rates is required. However, it is considered unsound to rebase the 2008-based rates to 2011 for all age groups in light of the 2012-based household formation rates which project higher household formation for those aged 55 years and over in Vale of White Horse (VoWH) than the 2008-based rates. Rebasing all age groups inadvertently suppresses household formation compared to the latest 2012-based rates.
- 2.7 However, given the 2012-based rates continue to show suppression in household formation in VoWH for the younger age groups, an adjustment is still required. It is our belief that a gradual full return to the 2008-based rates by 2031 for those aged 25-44 year olds is most appropriate.
- 2.8 **HOU01** also makes a further adjustment in respect of the population projections that underpin the CLG Household Projections. Again, at the time **HOU01** was published the 'interim' 2011-based Sub National Population Projections (SNPP) were the latest available and covered the period 2011-2021. The 2011-based SNPP were based on the same migration trends that underpinned the 2010-based SNPP which were those observed over the period 2005-2010. The trends were not updated to take account of the 2011 Census results and for this reason, the trends are considerably out of date and warrant adjustment.
- 2.9 **HOU01** proposes an adjusted SNPP based on net migration recorded in VoWH between 2001 and 2011. This increases the migration assumption to +419 net migrants per annum from +324 net migrants per annum as in the 'interim' 2011-based SNPP. This adjustment is considered sound in light of more recently published migration data (2013 and 2014 Mid-Year Population Estimates) which when taken into account to produce the most recent 10-year trend, estimate net migration to average +455 per annum (2004-2014). This demonstrates net migration to VoWH is increasing.
- 2.10 On this basis, there is likely to be a case for a slight uplift to the proposed OAN, but that this is not so sufficient to render the plan "unsound". Therefore, any upward adjustment is best dealt with through the early review of the Local Plan Part 1.

(b) Is it appropriate to include an allowance for addressing past shortfalls in the delivery of housing against the South East Plan housing requirements?

- 2.11 In terms of the objective assessment of housing need, which is separate to the calculation of the 5 year housing land supply (and the application of a 5% or 20% buffer), the PPG does state that rate of development is one of the market signals that needs to be addressed in establishing full OAN. This is set out as follows; 'If the

historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan' (ID 2a-019-20140306).

(c) Is the SHMA's adjustment to take account of forecast economic growth as set out in the Cambridge Econometrics/SQW report soundly based?

- 2.12 The 2014 SHMA proposes an uplift of +520 dwellings per annum above the demographic-led assessment of housing need in order to support economic growth of 1,150 jobs per annum. This results in an overall housing need of 1,028 dwellings per annum over the period 2011-2031.
- 2.13 The PPG methodology for assessing housing need states that job trends and/or forecasts should be taken into account (ID 2a-018-20140306). The implication is that housing numbers should be increased where this will enable labour force supply to match projected job growth.
- 2.14 On this basis, it is considered that the adjustment made in **HOU01** to support economic growth is necessary, albeit a slightly higher adjustment is required to the one proposed in order to alleviate household suppression inherent with the latest CLG household projections as outlined in response to question 2.1a.
- 2.15 However, this can be addressed through the early review process, when updated data will also be available.

(i) Are the report's forecasts of employment growth in the District realistic?

- 2.16 Employment growth projections in **HOU01** have been produced by Cambridge Econometrics/SQW who are one of the leading economic forecasting houses and therefore from a reputable robust source.
- 2.17 Two scenarios for future economic growth are considered in **HOU01** – a baseline and a Committed Economic Growth scenario. The job growth proposed meets the PPG requirement to take into account employment trends (ID 2a-018-20140306) and plans above this by favouring the Committed Economic Growth scenario (the higher of the two) which takes into account the growth potential across the county of Oxfordshire as outlined in **HOU01** (paragraph 4.20, page 64). In this respect it can be considered that the Council is planning positively (NPPF, paragraph 157) and that the Local Plan is being aspirational but realistic (NPPF, paragraph 154).

(ii) Is there evidence that the forecast employment growth would give rise to demand for new housing within the Vale of White Horse district?

- 2.18 The 'starting point' estimate of need as required by PPG are the CLG 2012-based household projections. These project growth of 393 households per annum over the period 2011-2031 in VoWH (which equates to a housing need of 409 dwellings per annum once an adjustment has been applied for vacancy, second homes and sharing). The adjusted SNPP scenario in **HOU01** projects growth of 468 dwellings per annum.
- 2.19 In order to provide the necessary workforce to support the Baseline Economic Growth scenario (531 jobs per annum), **HOU01** suggests 623 dwellings per annum would be required in VoWH over the period 2011-2031. To support the Committed Economic Growth scenario (1,150 jobs per annum) a total of 1,028 dwellings per annum would be required. Regardless of which economic growth scenario is selected, an uplift to the demographic starting point is required.
- 2.20 The NPPF requires the planning system to 'support sustainable economic growth' (paragraph 19) and furthermore PPG states that where 'the supply of working age population that is economically active is less than the projected job growth, this could result in unsustainable commuting patterns' (ID 2a-018-20140306).
- 2.21 **HOU01** has taken account of commuting patterns which indicate that VoWH is marginally a net exporter of labour. In this respect, it can be considered that employment growth in VoWH would give rise to demand for housing within VoWH.

(d) What are the implications of the 2012-based CLG Household Projections for the objectively-assessed need for housing?

- 2.22 The CLG 2012-based household projections were published on 27 February 2015 and therefore have not been taken account of in **HOU01**.
- 2.23 The 2012-based household projections project growth of 409 dwellings per annum (once an allowance for vacancy, sharing and second homes has been applied). The adjusted SNPP scenario in **HOU01** projects growth of 468 dwellings per annum in VoWH over the period 2011-2031. In this respect the demographic assessment of housing need presented in **HOU01** is above the 'starting point estimate' of need as indicated by the PPG.

- 2.24 However, the 2012-based household projections continue to project suppression in household formation of those people aged 25-44 years and if an adjustment is applied to address this issue the housing need increases to 444 dwellings per annum.
- 2.25 As outlined in response to question 2.1a, it is not considered that the adjustment made in **HOU01** to address household suppression is sufficient as rebasing the 2008 household formation rates to 2011 for all age groups inadvertently suppresses household formation for 55+ year olds compared to the latest 2012-based rates.
- 2.26 Given the 2012-based household formation rates project higher household formation for those aged 55+ years than the 2008-based rates (see Appendix 2.1) it is recommended that account is taken of these. However, it is suggested that these should not be taken at face value and that a further adjustment is applied to the 2012-based household formation rates for those aged 25-44 years in order to address the suppression which is still inherent. Our recommended approach is to apply a gradual full return to the 2008-based rates by 2031 for those aged 25-44 years. The implication of such an adjustment would be to slightly increase the housing need of VoWH above 1,028 dwellings per annum.

Is the identified need for 13 additional pitches for gypsies and travellers (CO27) soundly based and supported by robust and credible evidence?

- 2.28 Ptarmigan Planning Ltd. do not have any comments to make on this point

Is the identified need for 219ha of land for future employment development (policy CP6) soundly based and supported by robust and credible evidence?

- 2.29 The identified need for 219ha of employment land is derived from the employment land review update undertaken in 2013 (EC001) and the economic forecasting undertaken to inform the SEP and SHMA (EC003) and is therefore considered to be soundly based, taking into account up to date evidence prepared and considered for the purposes of the plan on a District and County wide basis.
- 2.30 Ptarmigan Planning Ltd. support the identification of specific sites for employment through the plan period and are particularly supportive of the identification of 129ha of land at Harwell Campus. We note that the proposals include land both within and outside of the Enterprise Zone and welcome the Council's recognition at paragraph 4.26 that the Joint Science Vale Area Action Plan (AAP) will include further details and

policies on the masterplanning of the Campus. This will need to include recognition that any employment development outside of the Enterprise Zone will not benefit from the same incentives.

- 2.31 Whilst a detailed matter for the APP we also consider that recognition should be given to the potential for some of the employment land to be provided outside of the Campus itself, on land adjacent. This would allow for a wholly integrated and holistic mixed use approach to provide employment, homes, services and facilities to be realised in and around the Campus. Paragraph 7 of the NPPF is clear that sustainable development include an economic role with new development:

“contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and coordinating development requirements, including the provision of infrastructure.”

- 2.32 It is therefore important that land is not identified and suggested for only 1 use, when that might not be the most appropriate going forward. Paragraph 153 of the NPPF is clear that Local Plan must be flexible to respond to changing circumstances and this is as relevant to the identification of employment land as it is to housing numbers and housing land.

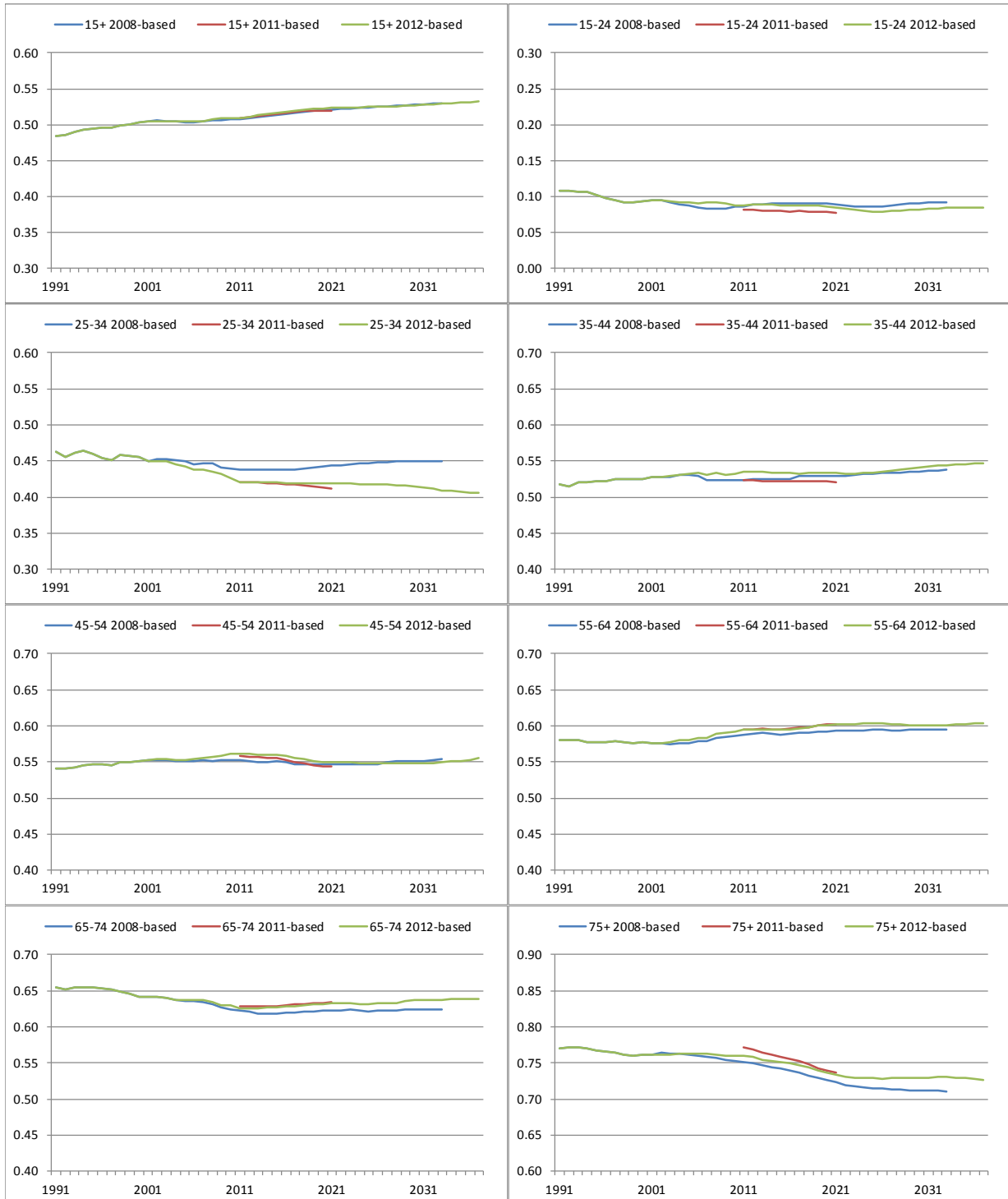
APPENDIX 2.1

Analysis of Household Representative (HR) Rates

Comparison of HR rates for persons aged 15+, by 10 year age band, 15 to 74 and for persons 75+ is presented in the panels below. The HR rates shown are taken from the DCLG 2008-based (blue line), interim 2011-based (red line) and 2012-based projections (green line). Although the position on a scale of 0 to 1 (0 to 100%) varies, the range on each left hand axis is the same (0.3 or 30%) so that like comparison can be made.

By way of explanation, a rate of 0.5 means that 50% of persons in that age group are said to represent a household, so that a hypothetical 100 persons is assumed to represent 50 households.

Local Authority: **Vale of White Horse**



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