

VALE OF WHITE HORSE LOCAL PLAN 2031
(Part 1 Strategic Sites and Policies)

EXAMINATION
HEARING STATEMENT

MATTER TWO:
Objectively Assessed Needs
for Housing and Employment Land

Respondent Nos: 874832/874516

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Vale of White Horse Local Plan 2031

Hearing Statement on Matter Two: Objectively Assessed Needs for Housing and Employment Land

Question 2.1

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?

In particular:

- (a) Are the SHMA's demographic adjustments to the 2011 CLG Household Projections soundly based?*
- (b) Is it appropriate to include an allowance for addressing past shortfalls in the delivery of housing against the South East Plan housing requirements?*
- (c) Is the SHMA's adjustment to take account of forecast economic growth as set out in the Cambridge Econometrics/SQW report soundly based?*
 - (i) Are the report's forecasts of employment growth in the District realistic?*
 - (ii) Is there evidence that the forecast employment growth would give rise to demand for new housing within the Vale of White Horse district?*
- (d) What are the implications of the 2012-based CLG Household Projections for the objectively-assessed need for housing?*

It is considered that the Council's objectively assessed need for housing is not soundly based and supported by robust and credible evidence.

As described in further detail in response to Matters 1 and 4, it is clear that the objective assessment of needs at the Housing Market Area level do not take a robust or comprehensive approach to ensuring housing needs are met in full across the local authority boundaries. The Council's delivery requirement, as informed by the SHMA, requires the delivery of 1,028 dwellings per annum over the period 2011 – 2031. However, this does not take into consideration the likely levels of housing that the District will need to accommodate arising from the significant shortfall in Oxford's provision. Therefore, Policy CP4 does not contain any flexibility in terms of any additional provision which it might reasonably be required to make.

In addition, where there is clear evidence of historic under-delivery and shortfalls (as recognised in the 2014 SHMA) it is appropriate to make allowances to address them. Such an approach is consistent with the thrust of guidance in the NPPF with regard to taking a positive and proactive approach to delivering the 'significant boost' to supply required.

It is recognised that Vale of White Horse District Council has worked alongside adjacent local authorities, particularly with regard to the preparation of the SHMA. The SHMA clearly takes account of a range of factors with regard to the requisite housing numbers to be delivered across the Housing Market Area. We welcome the recognition in the SHMA that projections do not predict the future but instead roll forward what's happened in the past and they are particularly sensitive to household formation rates and migration, and as such must be treated with caution. Forward projections based on past trends effectively assume that the factors which have caused those trends will continue to apply. The National Planning Practice Guidance (PPG) requires local planning authorities to take full account of the effects of the recession in their analysis and although some adjustments are made to the (2011 based) national projections in the SHMA analysis, we remain concerned that these adjustments are not fully reflective of the recession's impact. In this regard, it is significant that the 2012 projections (released in February 2015) start at a higher base point than the 2011 interim projections used for the SHMA evidence base. Evidently, the Council's housing need figure already appears low in the context of this more up to date evidence, which provides a clear indication that there is an upward trend of demand in general across Oxfordshire, including in the Vale of White Horse District. The differences between the 2011 based projections which represent the starting point of the SHMA, and the 2012 based projections, further compounds the concerns that the housing needs have not been fully assessed, and are not being fully addressed through the proposed Plan.

Although, as acknowledged earlier, the SHMA report does include assessments and adjustments in response to other matters of relevance to predicted housing requirements, it is concerning that the emerging Local Plan does not provide any further assessment or analysis of the known external elements which will impact upon the District's demand, in particular, Oxford's unmet housing need. It is also vital that, in producing the Local Plan, the Council recognise that the 2012 data is taken from a period following a major global recession, which has had a significant impact upon the UK's economy. Therefore, even the 2012 numbers (which are already predicting higher numbers than those used in the production of the SHMA) may not fully reflect the impact of the recent recession on household formation rates. Experience in other Districts and Housing Market Areas, indicates that Councils are looking to make adjustments, even to the most recent 2012 projections, to reflect the sometimes considerable (and temporary) depressive effects that the recession has had on household formation rates, and the subsequent effects it has on housing demand forecasts over the longer-term.

In this context the Council's figures in the emerging Local Plan are not based on the most up to date information and do not build in enough flexibility to effectively and efficiently anticipate a predictable increase in the need for additional housing to meet needs across the HMA.

With regard to economic considerations, it is again acknowledged that work has been done for anticipated employment growth. However, in the context of past economic performance the economic growth projections appear to be modest and actual growth could potentially be somewhat higher than that predicted in the SHMA. As the Council's housing figure is taken directly from the SHMA, it does not provide scope for any higher level of employment growth than 1.0% across the whole of Oxfordshire. We note that the economic growth in pre-recessionary periods exceeded 1% as described in the SHMA evidence base. The SHMA states:

“higher housing provision should be considered to ensure that a lack of housing does not reduce the resilience of local businesses or result in unsustainable commuting patterns”.

With this and the clear upward trends which are emerging as the country moves further away from the recent recession and the depressing effect which it has had on housing and jobs growth in mind, we are concerned that the economic aspirations of the county may not be met with commensurate housing provision.

In terms of the delivery of housing within the District, it is also of concern that such a large proportion of the objectively assessed need is left to non-strategic allocations. The NPPF is explicit that the planning system needs to ensure that sufficient land of the right type is available in the right place and at the right time to support growth. Oxfordshire is constrained by many elements, including Green Belt, which will impact its ability to provide the necessary certainty for communities and developers with regard to where development will be directed. Through establishing more strategic allocations the Vale of White Horse District Council could not only provide certainty to those working and living within its boundary but also assist the other Councils within the wider Housing Market Area by establishing a more comprehensive strategic vision of where growth will be located over the coming years.