Gladman Developments Ltd

Matter 3 Hearing Statement

Chesterfield Local Plan

Examination

Housing Need and Requirement

September 2019
Matter 3 – Meeting housing need and the Plan’s Housing Requirement including the accommodation needs of travelling communities

Issue 1: Whether the plan identifies a sound assessment of housing need and over what period

3.1 Is it justified and consistent with national policy to establish the housing need that the Plan should accommodate through the methodology of Objectively Assessed Need (OAN) as identified through the Strategic Housing Market Assessment (SHMA) for the wider North Derbyshire & Bassetlaw HMA rather than the standardised methodology for housing need (LHN)?

1. The Plan was submitted for examination after the 24th January 2019 deadline at NPPF §214. This examination will therefore be considered in the context of the Plan’s compliance with the NPPF 2019. It is important to note that the standard method only identifies the baseline demographic need for the determination of the minimum number of homes required. Whilst paragraph 60 of the Framework states that strategic policies should be informed by local housing need (LHN) assessment as a minimum, it does provide for the use of alternative methodologies in exceptional circumstances as long as these reflect current and future demographic trends and market signals.

3.2 Does PPG paragraph 2a-015-20190220 provide a basis for finding the submitted plan’s housing need sound because the OAN is marginally higher than the latest LHN figure?

2. The PPG referred to above suggests that the use of a different methodology can be used where data does not allow the use of the Standard Method. Whilst it is appreciated that the Council’s OAN of 265dpa is marginally higher than the standard method and provides a basis for finding the approach sound, it should not be considered appropriate without first considering what implications this may have on other factors which affect demographic behaviour and will need to be subject to robust testing through the examination process.

3.3. If applying the OAN, is the methodology used for defining Chesterfield’s OAN appropriate and does it provide a robust basis for establishing the scale of housing need? In particular, does the SHMA make justified adjustments to the
demographic starting point in respect of migration and a part return to household formation rates?

3. The North Derbyshire & Bassetlaw OAN (October 2017) includes adjustments for 10-year migration trends and household formation rates for younger age groups to the demographic starting point using the 2014 Sub National Population Projections. These adjustments are considered justified.

3.4. Is the OAN justified in not making an uplift for economic/jobs growth in light of the aspirations of the LEPs and the potential of HS2 for the area? Does the draft Sheffield City Region (SCR) Statement of Common Ground confirm that the SCR LEPs economic ambitions are likely to be met across the city region?

4. Gladman do not consider the OAN to be justified as it fails to take account the need for economic/jobs growth in light of the aspirations of the LEP.

5. It is noted that a draft Statement of Common Ground has been prepared by the SCR dated 25th June 2019. This document has not been signed. It identifies the SCR as a Strategic Functional Employment Area and assesses the role each authority plays within the SCR. The current Strategic Economic Plan (SEP) seeks to ensure the delivery of 70,000 new jobs and 6,000 new businesses across the SCR over the period 2015-2025.

6. Whilst the SoCG has yet to be signed the draft statement suggests that the SCR authorities have agreed to create conditions in which at least 70,000 new jobs can be provided to support the continued employment growth in Key Urban Centres and Major Growth Areas. The draft SoCG agrees to monitor the delivery of employment land and to ensure an appropriate supply of land is available to meet the SEP ambitions and that authorities within the SCR continue to work together to achieve the economic ambitions of the SEP.

7. Failure to take account of the need for economic uplift will likely result in a Plan which underestimates housing need. The Plan should not be seeking to maintain the current status quo but build upon its role as a sub-regional employment centre to strengthen the economic vitality of the area. Gladman reiterate the previous concerns raised that the demographic led OAN of 265dpa only exceeds the baseline jobs scenario of 251dpa but is 65dpa less than the 330dpa resulting from the alignment of the housing and jobs led growth scenario of 4,200 jobs as identified in table 31 of the OAN Update Report.
8. Furthermore, the proposed housing requirement is not consistent with the agreement set out in the draft SoCG and will not provide sufficient housing to deliver the growth ambitions of the SEP.

3.5. Will either the OAN or LHN provide/support a sufficient labour supply to meet the ambition but realistic employment forecasts for the Borough? For example, the 2017 SHMA at Table 31 indicates that an OAN to sustain economic growth scenario of 4,200 net additional jobs would require an adjusted housing need of 330 dwellings per annum. Paragraph 3.59 of the SHMA advises to use baseline economic forecasts as a minimum but points to the Council’s carrying out further testing of the higher growth scenario figures. Has there been any further consideration of assessment of the higher growth scenario?

9. The Council has tested through its Sustainability Appraisal (SA) the Plan’s ability to deliver LEP aspirational growth target of 345dpa. The Council considered that this option was not realistic and rejected it on the basis that it would require additional greenfield releases and is not considered by the Council to be realistic or deliverable. The SA does not provide any further information over why additional greenfield sites are not appropriate or why it would not be realistic, or deliverable given that there is available land that could be developed.

10. In its current form the Plan does not provide sufficient labour supply to support the realistic ambitions of the SEP and must be increased.

3.6 Is there any compelling evidence to consider an uplift for market signals under OAN or LHN?

11. Whilst it is acknowledged that housing affordability is below median affordability ratio compared to comparable authorities and regional/national trends it should be noted that the affordability of the borough has more than doubled over a 20-year period from 2.72 to 5.75 in 2018. Furthermore, given the lack of housing delivery experienced in recent years this has had a knock-on effect to affordable housing delivery. It is recommended that adjustment through a separate assessment of increasing the housing requirement should be considered to help increase the delivery of affordable housing.

3.7 If the Plan were to be modified to the lower LHN figure as a starting point for establishing housing need in the Borough would that give rise to any strategic planning issues in either the HMA or the widest Sheffield City Region?
Has a lower LHN informed housing need figure been subject to sustainability appraisal as a reasonable alternative?

12. The use of the LHN figure would not be considered an issue to strategic planning issues in the HMA or the wider SCR as long as it is appropriately considered as the starting point for housing need and consideration is given to adjustments to support economic growth ambitions set out in the SEP.

3.8 The NPPF at paragraph 22 advises that “strategic policies should look ahead over a minimum 15-year period from adoption” (Inspector emphasis). Are there particular circumstances in Chesterfield to justify a slightly shorter plan period? Can the identified housing need be suitably extrapolated to 2035 against the submitted evidence base for the plan (for example infrastructure, future jobs forecasts etc.)?

13. There are no particular circumstances in Chesterfield to justify a slightly shorter plan period than what is required by the NPPF which requires a minimum plan period of 15 years post adoption. The housing need should be extrapolated to 2035 and the housing requirement extended to align with the Council’s evidence. Additional housing land will likely need to be identified to meet any potential shortfall in provision.

3.9 What is the start of the plan period? Is it 2014 or for housing need has it been recalibrated to start from 2018?

14. Gladman are under the impression that the plan period commenced in 2018 but remains unclear. The Council will need to clarify this position.
**Issue 2: Does the Plan set an appropriate housing requirement? [Policy LP1]**

3.9 Is Policy LP1 clear that the housing requirement is the same as the OAN at 4,374 homes over the period 2018 – 2033? If so, would the housing requirement be justified, effective, positively prepared and consistent with national policy?

15. The housing requirement is not considered justified as it only provides for a demographic-led OAN and does not seek to support economic growth within the borough and fails to align with the growth ambitions of the SCR SEP. Accordingly, the use of this housing figure will result in a mismatch between the Council’s housing and economic ambitions and will likely result in failing to provide for future development needs that are required to maintain its role as a strategically important area for economic growth.

16. In this regard, Gladman submit that the housing requirement should be increased so that it aligns with the housing growth and jobs-led growth scenario of 4,200 jobs as identified in the Council’s evidence as a minimum. The justification why this figure has not been selected is unclear and is not considered appropriate.

**3.10 Are there any circumstances that indicate the District’s housing requirement should be other than the submitted evidence of the Objectively Assessed Need or the latest LHN figure?**

17. National policy and guidance is clear that an LHN assessment should be used as the starting point for calculating housing needs and that alternative methodologies such as the continuation of the OAN figure identified in the Council’s previous evidence studies should only be undertaken if exceptional circumstances are demonstrated. Circumstances where the need to apply an uplift may be appropriate include, but are not limited to:

- Where growth strategies are in place, particularly where those growth strategies identify that additional housing above historic trends is needed to support growth or funding is in place to promote and facilitate growth (e.g. housing deals);

- Where strategic infrastructure improvements are planned that would support new homes;

- Where an authority has agreed to take on unmet need, calculated using the standard method from neighbouring authorities, as set out in a SoCG;

- Historic delivery levels where previous delivery has exceeded the minimum need identified it should be considered where the level of delivery is indicative of greater housing need; and
Where recent assessments such as Strategic Housing Market Assessments suggest higher levels of need than those proposed by strategic policy making authorities, an assessment of lower need should be justified.

18. As previously stated, the SHMA Update 2017 identifies an OAN of 265dpa based on demographic led housing growth and some small support for economic growth. Chesterfield is a non-constituent member of the SCR LEP and the current SEP seeks to create 70,000 additional jobs and 6,000 new businesses across the SCR and the potential of HS2 provides a clear direction for future growth to strengthen the economic ambitions of the area. Gladman consider that these circumstances necessitate the need to consider an increase to the housing requirement so the Borough can assist the wider LEP to meet its aspirations for increased economic activity which must be aligned with an appropriate housing requirement figure.

3.11 References have been made to unmet housing need arising in Derbyshire Dales and Sheffield. Neither authority has made representations on the Plan requesting or identifying unmet needs that should be accommodated in the Borough. If the Plan is found sound on the basis of the SHMAs OAN, is the Housing Market Area (North Derbyshire and Bassetlaw) appropriately defined in the terms set out at PPG paragraph 61-018-20190315?

19. A request was made by Derbyshire Dales to assist in meeting its unmet housing needs. However, Derbyshire Dales District Council have subsequently adopted their Local Plan which seeks to meet all of the district’s housing needs in full. It is still unclear whether Sheffield City Council will require assistance in meeting their housing needs in full.¹

20. Chesterfield sits in the context of the North Derbyshire & Bassetlaw HMA however there is also identified overlap between this HMA and the SCR HMA due to the recognised functional economic links between the two owing to its role as a Regional Employment Centre providing jobs to both local residents and its proximity to the various urban areas and relative ease of commuting between them.

¹ See Matter 1 hearing statement response to 1.10
Issue 3. Delivering an appropriate mix of housing including affordable forms of housing [Policy LP5]

3.14 With reference to footnote 46 of the NPPF and the PPG sections regarding housing for older people and disabled people and housing optional technical standards, would the requirement for accessible, adaptable and wheelchair user dwellings in Policy LP5 be justified, viable and accord with national policy? Would Policy LP5 contain sufficient flexibility in its requirement for accessible, adaptable and wheelchair user dwellings in the context of PPG Paragraph: 008 Reference ID: 56-008-20160519, Paragraph: 009 Reference ID: 56-009-20150327 and Paragraph: 010 Reference ID: 56-010-20150327

21. Policy LP5 requires sites totalling 10 or more dwellings to provide up to 20% affordable housing and 25% adaptable and accessible housing in line with the optional M4(2) standards. It should be noted that all new homes are required to be build to Part M Category 1 (M4(1)) standards as a minimum. These standards are not available in existing older housing stock and are more likely to be suitable for the majority of residents within the Borough.

22. The Council’s evidence base contained in the Accessible & Adaptable Housing Background Report dated 2016 is now somewhat dated and does not provide up-to-date assessment of need and viability contrary to the requirements of paragraph 127 of the Framework. If the Council wishes to pursue the optional technical standards, then the evidence underpinning this requirement must be updated and viability tested taking into account the effects this policy requirement could have on the Plan’s alternative objectives (e.g. affordable housing delivery). Whilst evidence suggests that there is an ageing population in the borough, this is consistent with national trends and does not provide sufficient evidence to justify the requirements of optional technical standards.