Dear Sir/Madam

NEW FOREST DISTRICT LOCAL PLAN PART 2: CONSULTATION ON MAIN MODIFICATIONS

Thank you for consulting with the Home Builders Federation (HBF) on the New Forest District Local Plan Part 2 Main Modifications.

The HBF is the principal representative body of the house building industry in England and Wales and our representations reflect the views of our membership of multinational PLCs, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.

We would like to submit the following representations on the Main Modifications to the Part 2 Plan.

The HBF would also like to appear at the reconvened examination to debate further the matters raised in this representation.

Post Hearing Note 4: Implications following the revocation of the South East Plan and the 2011 Interim Household Projections

In according with Post Hearing Note 4 the Inspector has invited comment on the implications for the New Forest Plan Part 2 of the revocation of the South East Plan (SEP) and of the ‘ONS Household Projections by local authority area published in April 2013’.
We assume that the Inspector meant to refer to the DCLG 2011-Interim Household Projections that were published in April 2013.

We understand that Part 2 of the plan builds upon the adopted Part 1 plan. Following the revocation of the SEP the Inspector has invited comment on any implications this may raise for the Part 2 plan. We agree that the revocation has considerable implications for the soundness of Part 2, but also the adopted Part 1. We consider that the New Forest Plan (Parts 1 and 2) will need to be reviewed to account for the consequences of the revocation and the publication of the National Planning Policy Framework (NPPF).

No change has been proposed by the Council to the housing requirement in the adopted Part 1 plan (adopted in 2009). This provides for 3,670 dwellings between 2006-2026. This is 250 houses fewer than the target that had been set in the SEP (3,920 dwellings). The delivery of the other 250 homes was conditional upon a review of green field land in Part 2 (see paragraph 7.3.2 of Part 1).

The important question is whether the Council now needs to update its plan following the revocation of the SEP and in order to account for the publication of the NPPF. This would include reviewing the housing requirement in Part 1 given the requirement in the NPPF for local planning authorities to undertake an objective assessment of their housing needs and then to provide for those needs as far as doing so is consistent with other policies in the NPPF.

The Inspector has previously noted that the Part 2 plan was not accompanied by an up-to-date assessment of need. Presumably the reason for not undertaking a new assessment of housing needs was because at the time of submission the Council already had a plan that satisfied paragraph 214 of the NPPF. However, the 12-month period of grace that was allowed to local authorities that already had Planning and Compulsory Purchase Act 2004 compliant adopted plans has now elapsed (paragraph 214). The NPPF was published in March 2012 so this period of grace elapsed in March 2013. The Council should be preparing a new plan that reflects the provisions of the NPPF. Indeed, in preparing its Part 2 plan the Council would have been aware that its Part 1 was likely to fall out of date very soon. For this reason we consider that the Council should have prepared a new SHMA to inform the preparation of the Part 2 plan.

Paragraph 215 of the NPPF states that once this 12-month period of grace has expired, weight should be given to policies in existing plans according to their degree of consistency with the Framework. We would contend that the housing policies in Part 1 cannot be considered to be relevant any longer owing to being based on very out-of-date evidence. Firstly, the housing target in Part 1 is not derived from an assessment conducted through a SHMA in the manner required by the NPPF. Secondly, the housing policies in Part 1 are also based on a broader spatial strategy set-out in the SEP that acknowledged New Forest District as an area of constraint. However, conclusions that might have been reached in the past under the auspices of the regional strategies which identified areas of constraint on development
should no longer be assumed following the revocation. Councils must now consider afresh the evidence of their development needs and review whether those constraints that applied to development activity in the past are still justified in the context of the aims of the NPPF.

This begs the question whether a Part 2 plan that builds upon a Part 1 plan which is itself out-of-date can be considered sound when it is judged against the requirements of the NPPF. Its policies are only appropriate insofar as the Part 1 is consistent with the policies of the NPPF. It is our contention that Part 1 is not up-to-date and is inconsistent with the NPPF because it reflects the evidence and strategies of the SEP – a development plan document that has been revoked. It is questionable, therefore, whether Part 1 and Part 2 together provide a sound basis for future planning for the district to 2026.

The NPPF requires local authorities to undertake an objective assessment of their housing needs, utilising up-to-date evidence (paragraph 47). The evidence that is available in the form of official household projections would indicate that there is a much higher level of housing need in the district than the Part 1 plan has provided for. This will require New Forest District Council to revisit its strategy (Parts 1 and 2). In view of these circumstances, it is doubtful whether the Part 2 plan provides an appropriate plan for the period up to 2026. The Council should not have brought forward a Part 2 plan. In short, the Council should have focused its resources on preparing a new Part 1 plan.

The Inspector’s note suggests that respondents may give consideration to the 2011-Interim Household Projections published in April 2013 so far as is relevant to the scope of the plan and previous representations made. We would question whether the 2011-Interim Household Projections serve as a useful basis of exploring the question of housing needs because an objective assessment of need would have to consider other information in addition to the trend-based projections. This is why the NPPF encourages local planning authorities to undertake an assessment of need through a Strategic Housing Market Assessment (SHMA). This is a point that is reinforced in the recent draft National Planning Policy Guidance (dNPPG) in section ID 2a-015-130729. Relying on trend-based projections alone will not necessarily provide a reliable assessment of the likely housing needs over the plan period. Adjustments will need to be made to reflect the consequences of past under delivery and problems of affordability. Affordable housing needs will also need to be calculated.

Another limitation with the DCLG 2011-Interim Household Projections is that they do not provide a projection for the period covered by the New Forest Plan (2006-2026). They only project up to 2021. They are therefore of limited use for the purposes of assessing New Forest’s needs over its plan period. The limited time-frame utilised by the 2011 Interim Projection was intentional owing to the Government’s uncertainties relating to distortions that might be caused by the recession. The next full set of projections incorporating fully data from the 2011 Census will be published in the spring of 2014.
Nevertheless, the Government considers its projections to be statistically robust and based on nationally consistent assumptions (dNPPG, ID 2a-017-130729).

Therefore, and notwithstanding their provisional nature, when one does consider the DCLG 2011-Interim Household Projections they indicate that over the ten year period 2011-21 some 8,000 household could form in New Forest District Council. This averages out at 800 households a year. If this 800 is then multiplied over the 20 years for the full plan period then this suggests that some 16,000 households might need to be accommodated in the district. We accept that this is a crude calculation but it does provide a rough indication of the possible level of new housing supply that would be needed in the New Forest. The planned level of provision of 3,600 dwellings would appear to be inadequate to address the scale of the need.

It is also necessary to consider the DCLG 2008-Based Household Projections. The HBF considers that the 2008-Based Household Projections provide a more reliable basis for assessing need because they enable one to run a projection for the Council’s full plan period and they are not as subject to the more recent distortions caused by the recession, assuming that is, that the recession will not continue over the rest of the life of the plan. The What Homes Where website provides a free-to-use demographic tool-kit to help third parties understand better the evidence that goes into assessing housing needs as part of the plan-making process. The toolkit utilises the 2008-Based Household Projections for the reasons stated above (What Homes Where is supported by the RTPI, the Planning Officers Society, the LGA, Shelter, the HBF among others). According to this, the 2008-Based Household Projection indicates that some 16,221 households could form over the plan period. This is a figure that is consistent with the 2011-Interim Household Projection.

In view of these provisional indications (and they should not be relied upon as a substitute for a SHMA), the question is how the unmet need of about 12,400 homes (the difference between the projected need of 16,000 and the planned supply of 3,600) is going to be addressed if it is not to be addressed within New Forest District itself? It would appear to be New Forest District Council’s assumption that these needs will be addressed elsewhere by its neighbours. This, of course, was what the SEP was conceived to achieve – apportioning housing supply between areas of restraint and growth. However, as we all know, the SEP is now dead. The Council cannot assume that its neighbours are planning to accommodate the Council’s unmet needs until it has carried out an analysis of what their adopted or emerging plans are providing for. If the Council is relying on its neighbours to accommodate its unmet needs it will need to collate the evidence to prove this.

Unfortunately, the evidence is not there. The evidence, however, from the adopted and emerging plans show that New Forest’s neighbours are not planning to come to the rescue of New Forest anytime soon. None of the New Forest’s surrounding neighbours are planning to provide for more than their own needs. Some are not even meeting their own needs in full. This is evident from the recent examinations of the Wiltshire plan and the Christchurch and
East Dorset Joint Plan. Test Valley’s revised plan is considering a housing requirement of 550 dwellings per year (dpa) based upon a lower-employment growth scenario while the 2008-Based Household Projection indicates that some 847 households will form per year. The SHMA evidence for Test Valley also points to levels of need that are higher than the 550 dpa being proposed.

Southampton City has a post Planning and Compulsory Purchase Act 2004 adopted plan. The housing requirement in this plan is in conformity with the SEP (i.e. 16,300 dwellings planned in total to be provided at a rate of 815 dpa). However, the What Homes Where toolkit that utilises the 2008-based Household Projections indicates that some 22,000 households may form over the next twenty years when one calculates this by using the same plan period as the New Forest (i.e. the period 2006-2026. It should be noted that this figure of 22,000 households remains broadly the same if one models any twenty year period such as the period 2010-2030). On the basis of this indicator it is questionable whether Southampton City’s current plan will be able to address all its future needs. We accept, however, that it is difficult to be definitive about this until a more comprehensive and up-dated SHMA is published. However, it is possible that there will be a greater level of need emerging in Southampton City over the next 15 to 20 years than the current plan makes provision for.

In view of the indications of housing need in the New Forest, and the lack of spare capacity being created by its neighbours, the Part 2 plan cannot be considered sound because it is based on a Part 1 plan that itself is now out-of-date. The Part 1 plan is out-of-date because it is inconsistent with the requirements of the NPPF. New Forest District Council will need to explain why it considers its Part 2 plan to be justified in view of the revocation of the SEP and the publication of the NPPF.

The Council needs to produce a new Part 1 plan with new evidence demonstrating its housing needs and showing how it has secured cross-boundary cooperation to ensure that its unmet needs will be catered for by its neighbours if they are not going to be provided for within the district itself. It will need to do this before the Part 2 plan can be considered sound.

Yours faithfully,

James Stevens
Strategic Planner