

**WOKING
CORE STRATEGY DPD
EXAMINATION**

**HEARING 4:
Housing**

Matter 7

HEARING DATE:

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STATEMENT

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For

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Executive Summary: Test of Soundness

PPS12 sets out the principal components to be included in local spatial plans.

Paragraph 4.42 of the PPS requires that in order to be “sound” a core strategy should be justified, effective and consistent with national policy.

PPS3 sets out the specific outcomes that the planning system should deliver. It also sets out a requirement for development plans to take into account evidence of current and future levels of need and demand for housing and affordability levels based upon, inter alia, local and sub-regional evidence of need and demand as set out in SHMAs. This duty to cooperate is carried forward under Part 6 (Sec.110) of the Localism Act 2011, the requirements of which are relevant to the examination of the soundness of the Core Strategy.

In order to be justified the Core Strategy (CS) must be founded upon a robust and credible evidence base and represent the most appropriate strategy when considered against the reasonable alternatives. Effective means that the document must be deliverable, flexible and able to be monitored.

For the reasons set out in our submissions, we are of the view that the Core Strategy fails the following PPS12 tests of soundness:

Justified

The suggested approach to (i) housing delivery; and (ii) distribution does not represent the most appropriate strategy when considered against the reasonable alternatives.

Effective

The approach to addressing housing growth and delivery has not been demonstrated to be either deliverable or flexible.

Consistent

The proposals are not consistent with national policy in that they fail to provide a sufficient supply of deliverable/developable housing land.

The draft CS should be amended in accordance with our detailed representations.

In accordance with our recommendations we are of the view that additional technical work is required to be undertaken in relation to the Green Belt. This would need to be followed by a further round of public consultation and re-examination of the changes before the plan could be found sound.

MATTER 4:

Is the Core Strategy's approach to housing provision sufficiently justified and consistent with national planning policy such as found within Planning Policy Statement 3: Housing (PPS 3)? With particular regard to deliverability, will the Core Strategy be effective in meeting the varied housing needs of the Borough over the plan period?

Summary

- S1. As set out in our Matter 1 and 2 Statements, the Council's approach to the planned delivery of the overall quantum of housing to be met during the plan period (2010 to 2027) is neither justified nor effective in so far as it fails to represent the most appropriate strategy when considered against the reasonable alternatives and nor does it provide either a deliverable or flexible strategy.
- S2. Even at the level of housing growth proposed in the submission draft CS (which is lower than the housing need identified in the evidence base) the Council has failed to demonstrate that the components of housing supply on which they rely are deliverable (within five years) and/or developable at the point envisaged. Accordingly, there is a demonstrable need to undertake a review of the Green Belt now and provide for strategic allocations, including as part of the baseline supply, in order to:
- i. Ensure the delivery of the requisite number of dwellings in helping to meet the 4,694 dwelling requirement identified by the Council as being the appropriate level of growth in the period to 2027.
 - ii. Ensure that both the quantitative and qualitative housing needs are met in a timely manner.

Statement of Case

Q1

Is the evidence base in support of the housing policies robust and credible? How does this relate to the PPS3 and its associated guidance? To what extent is the content of PPS1 and 3 particularly satisfied by the Core Strategy? How has the CS been informed by, and is consistent with, the Council's Housing Strategy?

- 1.1. The CALA Homes judgements have established that as matters now stand, and in relation to plan making, LPAs must work within the current framework of the South East Plan ("SEP").
- 1.2. The delivery of housing is seen as a matter of national priority and there have been various statements by both the Chancellor of the Exchequer and other Ministers of DCLG indicating the importance of housing delivery and the benefits of the same to the economy. Moreover, recent SoS appeal decisions confirm the significant weight to be attached to planning for economic growth including the delivery of housing.
- 1.3. In the circumstances, the need to provide for and address housing delivery is an issue which must be viewed both positively and urgently by local planning authorities. This approach is reaffirmed in the draft NPPF.
- 1.4. The draft NPPF makes it clear at paragraph 109 that in significantly increasing the supply of housing LPAs should meet the full requirements for market and affordable housing. This in part, carries forward the requirements set out in PPS3 which states that, inter alia, when determining the local level of housing provision LPAs are required to take into account evidence of current and future levels of need and demand for housing and affordability levels based upon, inter alia, local and sub-regional evidence of need and demand, set out in Strategic Housing Markets Assessments (SHMAs) and other relevant market information such as long term house prices.
- 1.5. The West Surrey Strategic Housing Market Assessment (SHMA) (February 2009) encompasses the boroughs of Guildford, Waverley and Woking in West Surrey. The SHMA provides an understanding of sub-regional housing

markets and predicts the levels and mix of future housing provision. As set out within PPS3 and the draft NPPF, the SHMA remains a key evidence document in informing the Woking Borough Local Development Framework.

- 1.6. The SHMA includes a level of affordable housing need totalling 499 dwellings per annum (para 10.11). In addition, the SHMA also identifies an overall new build need for 594 dwellings per annum within Woking Borough to meet identified “demand”.
- 1.7. It is apparent that the strategic housing requirement set out within the SEP is set at a level below the underlying need for housing within the Borough.
- 1.8. In addition to the SHMA, a Housing Topic Paper was prepared in November 2010 to support Woking’s LDF.
- 1.9. The Woking Housing Needs Survey sought information on the housing preferences of families. The findings included:
 - No families preferred to live in flats/ maisonettes
 - An average of 96% of families preferred to live in detached/ semidetached properties
 - On average, 95% of families with children preferred a 3+ bedroom property.
- 1.10. The Topic Paper concludes that *‘as highlighted in previous sections of this paper, there is a substantial need for family homes in Woking Borough, including a particular need for affordable family homes’* (para 9.1).
- 1.11. As set out at paragraph 33 of PPS3, when determining the local level of housing provision LPAs are required to take into account evidence of current and future levels of need and demand for housing and affordability levels based upon, inter alia, local and sub-regional evidence of need and demand, set out in Strategic Housing Market Assessments (SHMAs) and other relevant market information such as long term house prices. They are also required to take account of the Government’s overall ambitions to improve affordability and increase housing supply.

- 1.12. This further emphasises the need to plan for housing growth now and to ensure the early delivery of housing allocations.
- 1.13. We do not accept that the Council has had appropriate regard to the balance of factors listed in PPS3, paragraph 33 and/or, the stated NPPF paragraphs.

Q2

Is the latest SHLAA robust?

- 2.1. The Woking SHLAA is dated 2011 and sets out an assessment of the components of housing land supply relied upon by the Council in meeting the strategic housing requirement during the plan period (to 2027).
- 2.2. The Core Strategy (paragraph 5.55) explains that the SHLAA identifies sufficient deliverable and developable sites for the period to 2022/23. Thereafter the Council identify the Green Belt (550 dwellings) and Woking town centre (200 dwellings) as broad locations in helping to meet the housing target.
- 2.3. Appendix 2b to the SHLAA identifies sites that are said to be “deliverable” in years 0-5, meaning that they can be built out by 2017 (5yrs post anticipated adoption of the Core Strategy). However, and for the reasons set out below we do not accept that Woking is able to demonstrate a five year supply of deliverable sites or that the urban capacity approach to development will result in either sufficient housing numbers generally or the type of housing required during the plan period without recourse to the early release of sites in the Green Belt.
- 2.4. Appendix 3 identifies sites that are said to be “developable” in years 6-10 and 11-15. This means that there should be a reasonable prospect that the site is available for and could be developed at the point envisaged (PPS3, para 56).
- 2.5. The site specific assessments identify a number of constraints to the delivery of certain of the sites relied upon by the Council to come forward in the years 6-15.
- 2.6. Annex B attached to our Matter 2 Statement includes a summary of constraints to delivering certain of the sites relied upon by the Council to be delivered in years 6-10 and 11-15.

- 2.7. The SHLAA sites summarised in Annex B are relied upon by the Council to deliver a total of 1,677 dwellings. However, and for the reasons set out in the Annex, there are a number of significant constraints to be addressed before it is possible to state that there is a “reasonable prospect” that the sites are available for and could be developed at the point envisaged.
- 2.8. The Council’s reliance on the delivery of the above sites is the only reason for delaying the release of land from the Green Belt. In addition, and as shown, these sites are expected to be developed at high densities. As set out at paragraph 5.56 of the Core Strategy, these “urban” sites are only likely to be suitable for high density flatted developments. The implication of the reliance on the delivery of such forms of development is that the Council would be unable to achieve an appropriate mix of housing types and tenures to meet needs identified in the SHMA.

Q4

Does the Council have a demonstrable housing land supply consistent with PPS3? Is the intended release of Green Belt deliverable? What reliance is made upon windfalls?

- 3.1. For the reasons set out below, we do not accept that the Council is able to show a demonstrable supply of deliverable and/or developable housing land in accordance with the requirements of PPS3.
- 3.2. The most up to date publicly available assessment of the housing land supply position in Woking Borough is the Annual Monitoring Report (AMR) published in December 2011.
- 3.3. The AMR draws upon the content of the April 2011 Housing Supply Position Statement and the content of the October 2011 SHLAA.

The Five Year HLS Position

- 3.4. The AMR provides information for the period 2011 – 2017, with the Council preparing a 6 year assessment in order to coincide with the anticipated adoption year for the Core Strategy (2012).

- 3.5. A summary of the Council's assessment of the six year HLS position (using the SEP requirement as the starting point, informed by the content of Tables 4 and 6 of the SHLAA 2011) is set out below:

LPA's 6yr HLS Position

Housing Requirement 2006 to 2027 (292pa)	6,132
Completions 2006 to 2011	1,495
Residual Requirement 2011 to 2027 (290pa)	4,637
Six year Requirement 2011 to 2017	1,740
<u>Supply</u>	
Sites u/c or completed (2011 to 2012)	169
Sites u/c or with potential (2012 to 2017)	1,699
Total Supply	1,868
Surplus/Shortfall	+128

- 3.6. The Council's components of supply result in a surplus of 128 dwellings against the 1,740 requirement to be met in the period to 2017. This represents a 6.4yr supply against a 6yr requirement. However, the above assessment includes the following:

- Units on sites under construction/unimplemented planning permission – 883 units
- Sites with potential for residential development – 816 units.

- 3.7. Based upon the key tests of deliverability set out in para 71 of PPS3, and as at the base date, the second category 'Sites with potential for residential development' cannot be said to be deliverable within the six year period to 2017.

- 3.8. The above components of "deliverable" supply also include 400 dwellings at Moor Lane, Westfield (SHLAAKW007).

- 3.9. Whilst planning permission has been granted on this site it has since expired. The use of common land for access purposes is a constraint that has yet to be resolved. The SHLAA confirms that without this matter being resolved the site cannot be developed. The site is therefore not available or achievable or deliverable under the PPS3 tests.

WBP Assessment of the Six Year HLS Position

3.10. Against the above background, our summary of the six year HLS position is set out below:

Housing Requirement 2006 to 2027 (292pa)	6,132
Completions 2006 to 2011	1,495
Residual Requirement 2011 to 2027 (290pa)	4,637
Six year Requirement 2011 to 2017	1,740
<u>Supply</u>	
Sites u/c or completed (2011 to 2012)	169
Sites u/c or with permission	883
Total Supply	1,052
Surplus/Shortfall	-688

3.11. Our assessment excludes sites without permission at the base date and results in a supply of 3.6yrs (against a six year requirement).

3.12. The grant of planning permission at Brookwood Farm for circa 300 dwellings would increase the supply to 4.6yrs (against a 6yr requirement) which would still result in a shortfall.

3.13. Furthermore it is noted that should the emerging National Planning Policy Framework (NPPF) be adopted in its current form this shortfall will worsen given the requirement for LPAs to include an additional allowance of at least 20 per cent to generate choice and competition in the market for land.

Housing Land Supply during the Plan Period

3.14. Based upon the 292 dwelling annualised requirement to be met during the plan period, informed by the components of supply relied upon by the Council as set out at Tables 4 and 6 of the SHLAA, we set out the following summary of the Council's housing land supply position for the plan period to 2027:

	<u>LPA</u>
Housing Requirement 2006 to 2027 (292pa)	6,132
Completions 2006 to 2011	1,495
Residual Requirement 2011 to 2027 (290pa)	4,637
<u>Supply</u>	
Sites u/c or completed	169
Sites with permission	883
Sites with potential	3,160
Broad Location in the Green Belt	460
Woking town centre	210
Total	4,882

Shortfall/Surplus

+245

- 3.15. Based upon the components of supply set out above, the Council rely upon “sites with potential” (3,160 dwellings) for almost 70% of the total supply. This includes some 2,301 dwellings in the period to 2022.
- 3.16. For the reasons set out in response to Q2 above, we have significant doubts as to the timely delivery of dwellings from the identified sites.
- 3.17. The SHLAA, forming part of the evidence base to the Core Strategy, does not suggest that the components of supply relied upon by the LPA results in a demonstrable supply of housing land consistent with PPS3. Accordingly, and for the reasons summarised above, there is a clear and overriding need to provide for sensible, sustainable and deliverable proposals to ensure the timely provision of new housing in order to meet identified needs. This includes the need for an early review of the Green Belt.
- 3.18. Given the level of housing need identified by the evidence base to the CS (noting in particular the high level of affordable need) the components of supply relied upon by the LPA must be demonstrated to be deliverable/developable at the point envisaged.
- 3.19. For the reasons set out in our submissions, we are of the view that there is no contingency or flexibility in the CS that could otherwise take up any slack in the period to 2022 in the event that the identified components of supply fail to come forward at the point envisaged.
- 3.20. It is clear from the level of housing need in WBC that the SEP requirement must be met as a minimum and in a timely manner. This means ensuring that the components of supply are ‘effective’.

Green Belt

- 3.21. We have addressed this part of Q4 in our Matter 2 Statement and assessments of the suitability or otherwise of sites in the Green Belt are included at Appendix 4 to the SHLAA.
- 3.22. The release of land from the Green Belt to meet identified housing needs is likely to be deliverable given the range of sites set to be suitable.

Q7

What is the primary evidence to support the housing distribution identified in CS10? Is the evidence base robust? (to include 2007 Fordham's Research Paper) Can the required housing trajectory be delivered? Is the proposed approach to housing supply adequate and reasonable when considered against the evidence of need?

- 4.1. For the reasons set out above (and included in our Matter 2 Statement), we do not accept that the Council's trajectory can be delivered.
- 4.2. The Council's approach to housing supply/delivery is not the most appropriate when considered against the reasonable alternatives, to include the early release of land from the Green Belt.

Q8

Is the policy sufficiently flexible to enable different density and housing mixes?

- 5.1. No. There is an overriding need for family accommodating and the Council's urban capacity-led approach will result in high density flatted schemes.

Q9

Is the policy on Green Belt release robust and effective?

- 6.1. No. For the reasons set out above and detailed in our accompanying submissions, there is an overriding need for the early release of land from the Green Belt to meet both the quantitative and qualitative need for housing.

Q10

Where is the evidence that the town centre can support 200dph to meet the target of 2300 dwellings? Will this be the required type of housing?

- 7.1. The SHLAA (Appendix 2b and 3) indicates that there are significant constraints to delivering the quantum of housing within the town centre that is relied upon by the Council in helping to meet the overall housing target during the plan period to 2027. Moreover, these high density schemes will not result in the type of housing that is identified in the SHMA as being required to meet identified needs.

Q19

To what extent is the CS approach to the total provision of affordable housing justified by the evidence base? How much affordable housing (and of what size/tenure mix) is required and how will it be delivered? Are the thresholds justified? Should the affordable housing target be greater than 35%?

- 8.1. Despite the identified levels of affordable housing need within the Borough, WBC has consistently under delivered in terms of overall affordable housing provision.
- 8.2. Past performance relating to the delivery of affordable housing is set out at Table 15 of the 2011 AMR, the content of which is summarised below:

Monitoring Year	Affordable housing completions
2004-05	95
2005-06	149
2006-07	72
2007-08	34
2008-09	75
2009-10	11
2010-11	35
Total	471

- 8.3. Over the past 7 monitoring years, affordable completions have averaged 67 dwellings per annum. This evidence points to a consistent and substantial under provision in affordable housing delivery.
- 8.4. The past history of under-performance in affordable housing delivery represents a significant backlog in unmet housing need and provides further justification for the early release of deliverable sites at sustainable locations in order to meet the manifest shortfall in housing delivery.
- 8.5. Whilst there is a demonstrable need to increase affordable housing delivery, the Council's evidence base (including the content of the SHLAA) suggests that the sites relied upon to be delivered (resulting in high density flatted schemes) are unlikely to result in the type of affordable housing offer required.

Q19

Is the 50% requirement for affordable housing on greenfield sites warranted by the evidence base? Why should land in public ownership be treated differently? Is this justified and effective? Will 50% target for affordable housing on greenfield be ineffective in terms of stymied delivery?

- 9.1. The starting point in assessing whether or not the policy is sound is to (i) consider the affordable housing position in the adopted Local Plan; (ii) consider the requirements set out in the South East Plan; and (iii) assess the evidence base to preparation of the suggest policy approach.
- 9.2. The adopted Local Plan (Policy HSG10) sets out a requirement for the delivery of circa 25% affordable housing on sites of 1ha or 25 units or more. The exact proportion to be determined through consideration of market and site conditions and local needs and through a process of negotiation. This approach has failed to produce sufficient affordable housing to meet identified needs.
- 9.3. The SEP requires 40% of all new housing to be affordable with the precise level and tenure split to be determined at the local level.
- 9.4. The evidence base to preparation of the CS includes the affordable housing viability assessment prepared by Adams Integra (2010).
- 9.5. This sets out an assessment of the viability of providing varying levels of affordable housing on differing types of sites.
- 9.6. Paragraph 4.9.7 sets out the potential shortfalls of imposing a 50% affordable target on greenfield sites. However, Policy CS12 states that all new residential development on greenfield land will be required to provide 50% affordable housing provision.
- 9.7. Given the identified need for greenfield site releases, following a review of the Green Belt, to provide an appropriate mix of family sized housing (instead of flatted developments anticipated by the LPA to take place within the urban areas), it is expected that such sites will need to provide a commensurate amount of supporting infrastructure provision, including in relation to, inter alia, highway works, utilities, education, community facilities and open space provision. Accordingly, the imposition of a 50% requirement for affordable

housing on these sites could serve to prevent sites from coming forward and thus resulting in an overall reduction in housing delivery.

- 9.8. The imposition of such a requirement could have the adverse impact of reducing the amount of affordable homes provided rather than increasing the level which is the intention.
- 9.9. In our experience, the imposition of a 50% target as a starting point will not only put into doubt the ability of such sites to come forward, but it is also likely to cause significant delays to the preparation and determination of subsequent planning applications.
- 9.10. The policy should be amended with the deletion of a 50% target for greenfield sites and substitution with a 40% requirement in accordance with SEP Policy LF4.
