

NOTE FROM PETER BRETT ASSOCIATES OUTLINING APPROACH TAKEN TO JOB FORECASTS ARISING IN MATTER 3

1.0 Introduction

- 1.1 As outlined within our representations and Statement on Matter 3, Nexus Planning, on behalf of Woodsford Farms is of the view that the Local Plan (“LP”) housing requirement is fundamentally too low to support identified economic and regeneration potential within West Dorset and Weymouth & Portland. In particular, like numerous participants, we have:
- a) Identified soundness flaws regarding West Dorset and Weymouth & Portland Councils’ (“the Councils”) approach to establish the Objectively Assessed Need (“OAN”) for market and affordable housing in West Dorset and Weymouth & Portland;
 - b) concluded that the housing requirement is significantly too low to balance the relationship between the need for housing and jobs; and
 - c) presented alternative OAN evidence that appropriately balances housing and jobs.
- 1.2 As part of the Matter 3 session participants were in agreement that for the LP to be sound it must contain a LP housing requirement of at least 900 dwellings per annum (“dpa”). The level recommended within the South West Regional Spatial Strategy Examination Panel report. The LP housing trajectory confirms this level of housing is deliverable.
- 1.3 As part of the Matter 3 session the Inspector requested further information from the Councils’ OAN housing requirement consultants, Peter Brett Associates (“PBA”), regarding the economic growth methodology supporting the LP housing requirement. In response to the Inspectors request, PBA have produced and submitted note WDWP EX13.
- 1.4 This submission relates to matters relating to PBA’s WDWP EX13 note. In addition to this submission, we are also a signatory to a Statement of Common Ground (“SoCG”) that has been prepared by numerous participants and submitted by Pegasus Planning. This SoCG covers the following matters:
- Transparency of approach;
 - Economic Activity Rates;
 - Economic Growth Rates; and
 - Commuting.
- 1.5 To avoid duplication, the above matters covered within the SoCG have not been repeated within this submission.

2.0 Economic Aspirations

- 2.1 Within our statement to Matter 3.5 and our representations we outlined that the Experian projections are largely based on past economic trends and therefore do not take account of job growth potential from policy-driven economic and regeneration projects, such as those set out within the Dorset Strategic Economic Plan (a Plan endorsed by the Councils’).
- 2.2 The Councils’ Part 1 Strategic Housing Market Assessment (“SHMA Part 1”) fails to demonstrate how the agreed economic and regeneration aspirations set out within the Dorset Strategic Economic Plan have been taken into account and informed the LP housing requirement.
- 2.3 The National Planning Policy Framework (“NPPF”) is clear in paragraphs 18 to 20 that supporting economic growth is a key Government priority and that the planning system should do everything it can to support sustainable economic growth. Furthermore the National Planning Practice Guidance (“NPPG”) states (ID 9-006) that ‘Local Enterprise Partnerships have a key role to play in delivering local growth by directing strategic regeneration funds and in providing economic leadership through their Strategic Economic Plans. The commitment of local planning authorities to work collaboratively with Local Enterprise Partnerships across their area will be vital for the successful delivery of policies for strategic growth in their Local Plans. An effective policy framework for strategic planning matters, including joint or aligned planning policies, will be a fundamental requirement for this’.
- 2.4 Regrettably, and in contradiction to its own advice and approach to other local plans (such as Chester West and Chester Councils’ LP. See Appendix 1 to this submission, paragraphs 2.30 to 2.38) the PBA note continues to fail to demonstrate how the Dorset Strategic Economic Plan has been taken into account and informed the LP housing requirement.
- 2.5 As set out within our statement to Matter 3 and representations the LP housing requirement therefore runs the risk of inhibiting planned strategic economic growth and regeneration potential and aspirations, and/or potentially increasing unsustainable in-commuting and travel to work distances.
- 2.6 The housing requirement within the LP is unsound as it has not been positively prepared nor is it justified, effective and consistent with national policy. To address these soundness issues the LP housing requirement must be increased to at least 900 dpa to positively and proactively support planned and other identified potential economic growth and regeneration within the housing market area.

3.0 Job Number

- 3.1 During the Matter 3 examination session the Councils' and PBA failed to provide any justification or evidence over how the LP housing requirement of 775 is appropriate to support job creation of both 2,300 jobs between 2011 to 2031 but also 13,070 over the same period. The difference between the two job creation levels is very significant - a difference of 10,770 jobs.
- 3.2 It is again regrettable that the PBA note fails to properly explain how the same housing requirement can support such a significant difference in job creation over the period covered by the LP. The LP housing requirement continues to be unjustified and therefore unsound.

4.0 Conclusion

- 4.1 As set out within this submission and the SoCG, which we are a signatory, the PBA WDWP EX13 note has failed to appropriately explain and demonstrate how planned and other economic and regeneration job creation potential will be positively and proactively supported by the LP housing requirement. The housing requirement within the LP continues to be unsound as it has not been positively prepared nor is it justified, effective and consistent with national policy.
- 4.2 To address these soundness issues, the LP housing requirement must be increased to at least 900 dpa. This level of planned housing growth will positively and proactively support planned and other identified potential economic growth and regeneration within the housing market area as well as making a positive contribution towards meeting identified affordable housing needs.

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A Review of Cheshire West and Chester Councils Housing Strategy

On Behalf of the Darnhall Estate



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For and on behalf of Peter Brett Associates LLP

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1 INTRODUCTION

- 1.1 The Cheshire West and Chester Council (CWaC) Local Plan Part One: Strategic Policies (Local Plan) was submitted to the Secretary of State on 23 December 2013. The Independent Examination into the Local Plan is scheduled to take place between Tuesday 17 June and Friday 4th July 2014.
- 1.2 The Local Plan Publication Version was published for consultation in September 2013 with the consultation period ending in November 2013. The Council received over 1,700 comments from 639 individuals and organisations. Many of these related to Policy STRAT2 'Strategic Development' which proposes a housing target of 22,000 dwellings (1,100 dpa) over the period 2010 to 2030.
- 1.3 Policy STRAT 6 'Winsford' proposes a housing target for Winsford in the region of 3,500 new dwellings for the Plan Period (2010-2030).
- 1.4 A number of the representations suggest fundamental flaws in the Council's technical analysis of the Boroughs objectively assessed housing need. Many representations also questioned the Council's interpretation of the National Planning Policy Framework (NPPF) and the (then) emerging technical Planning Policy Guidance¹.
- 1.5 Some of these objections raised by the development industry during the consultation on the Local Plan Publication Version go to the heart of the soundness of the Local Plan. A failure of the evidence base to consider the needs of the HMA, as is the case here, has been a reason for several Inspectors to simply to suspend a number of recent examinations.
- 1.6 Many of the comments submitted to the Council sought an uplift in the Borough housing target, with a number of representations suggesting a significant increase is required. For example Barton Wilmore submitted that the objectively assessed housing need for the Borough is a minimum of 38,000 new homes (1,900 dpa), and Gladman proposed 35,000 new homes (1,750 dpa). NLP suggest 29,000 (1,450 dpa).
- 1.7 As part of the consultation process PBA provided evidence and submitted that the Borough housing target should be a minimum of 34,000 new homes (1,700 dpa). This was justified because providing fewer than 34,000 new homes would not meet the Council's stated objective to secure 1,000 new jobs each year².
- 1.8 Since the Local Plan consultation closed the Local Enterprise Partnership (Cheshire and Warrington LEP) published its strategy which seeks 75,000 new jobs by 2030³. Whilst the LEP does not provide a Borough level employment target, Cheshire West and Chester accommodates around 1/3rd of the LEP area jobs, so it may be expected to accommodate 25,000 of the 75,000 new jobs targeted. This is a much higher per annum job growth figure (approx 1,500 jobs per year) than assumed in the Council's evidence base

¹ This has since been published in March 2014

² <http://www.altogetherbetterwestcheshire.org.uk/wp-content/uploads/2012/10/Operational-Plan1.pdf> Para 1.6.1

³ <http://www.871candwep.co.uk/media/Strategic-Economic-Plan-and-Growth-Plan.pdf>

documents⁴ which aspire to 1,000 jobs per year but only provide for 700 new jobs (using the Councils analysis⁵)

- 1.9 Meeting this high LEP new target would need even more new homes than the 34,000 PBA estimated were needed to meet the lower 1,000 job per annum target. As an estimate, a further 10,000 new homes, on top of the 34,000 new homes needed to provide for the 1,000 new jobs a year would be needed to achieve the LEP job aspiration. This is because roughly one new home is needed for each additional worker. However we don't argue that this is realistic because we accept the LEP is likely to be aspirational and to this figure needs treating cautiously.
- 1.10 Despite the level of objection to the proposed housing number and the subsequent publication of the LEP growth plans the Council proceeded to submit the Local Plan in December 2013 without revising the Borough housing provision of 22,000 new dwellings (1,100 dpa) in Policy STRAT2.
- 1.11 The Councils housing strategy will therefore be assessed as part of the Independent Examination. PBA note that to date, post revocation of the RSS, few plans have passed examination without any modification to their housing number. In this case the Inspector has already outlined two pages of questions relating to the emerging housing target and has already noted that the evidence has not been prepared for the Housing Market Area (HMA) as a whole; as is required by the NPPF.
- 1.12 This report summarises a number of the main concerns raised by PBA relating to the Local Plan to illustrate the depth of the objections to the emerging housing target proposed in Policy STRAT2.
- 1.13 Very little work has been undertaken with specific reference to Winsford, because without a confirmed Borough strategy and robust evidence base it is very difficult to constructively comment on the scale of new housing growth needed to support the town. Nor can anyone constructively comment on the appropriate share of the Boroughs growth for Winsford. However it is worth noting that if the Borough housing number increases then sustainable sites outside of the Green Belt, such as the land at Beech House Farm in Winsford are likely to be a favoured area of search.

⁴ <http://www.altogetherbetterwestcheshire.org.uk/wp-content/uploads/2012/10/Operational-Plan1.pdf> Para 1.6.1

⁵ See Strategy and Housing Background Paper (2013) Chapter 9 Table 1.

2 CWAC BOROUGH HOUSING TARGET

Background

- 2.1 The Local Plan Publication Version was published for consultation in September 2013. The Local Plan proposed a housing target of 22,000 dwellings for the Borough over the Plan Period 2010-2030 (1,100 dpa). The Local Plan was formally submitted to the Secretary of State in December 2013 and proposes the same level of new housing provision in Policy STRAT 2. .
- 2.2 There are a number of fundamental problems with the Councils proposed housing target which are summarised below::
- The ONS / CLG household projections are not a fair reflection of the market demand for new homes in the area.
 - The Council's labour force calculations – especially assumptions about retirement ages – are over optimistic.
 - The housing target is not aligned with the local economic aspiration or the employment targets of the LEP.
 - The evidence has been prepared only for the Borough of Cheshire West and Chester and so has not been 'positively prepared' in line with paragraph 159 of the NPPF.
- 2.3 We briefly consider each in turn below. Further detail can be found in the various representations made by PBA to the Local Plan.

CLG Household Projections

- 2.4 The NPPF is clear that the projections are the starting point for setting housing targets. However it also says that they should be tested to ensure that they reflect 'market signals' before setting a housing target; with an upward revision (over and above trend) if required⁶.
- 2.5 Therefore, the policy maker needs to be confident that the projections are a fair reflection of the market demand for new housing land before concluding that they are a genuine starting point.
- 2.6 In the case of CWaC there is evidence that the projections fail this test and the Council should make provision for many more new homes.

The Planning Practice Guidance

- 2.7 While the plan was being drafted there was no official guidance on how to assess housing need; or how to reflect 'market signals' in a housing target. This guidance was only published in March 2014 in the form of a Planning Practice Guidance (PPG) Note.

⁶ Department for Communities and Local Government, *Planning Practice Guidance, Housing and economic needs assessments*, ID: 2a, Updated 06 03 2014 <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/>

However the Local Plan was drafted with the benefit of the 'beta version' which was issued in August 2013.

- 2.8 Both the beta version and the final version of the PPG requires housing numbers to be increased, above trend based projections, where market signals suggest that the housing market has historically under provided for new homes. The PPG states:

'The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends. For example, formation rates may have been suppressed historically by under-supply and worsening affordability of housing. The assessment will therefore need to reflect the consequences of past under delivery of housing. As household projections do not reflect unmet housing need, local planning authorities should take a view based on available evidence of the extent to which household formation rates are or have been constrained by supply⁷...

The housing need number suggested by household projections (the starting point) should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Prices or rents rising faster than the national/local average may well indicate particular market undersupply relative to demand⁸...

- 2.9 The PPG then lists some of the market indicators that may be used in this adjustment, comprising land prices, house prices and rents, affordability, rates of development and overcrowding. It goes on to explain⁹ how these indicators should be analysed:

'Appropriate comparisons of indicators should be made. This includes comparison with longer term trends (both in absolute levels and rates of change) in the: housing market area; similar demographic and economic areas; and nationally. Divergence under any of these circumstances will require upward adjustment to planned housing numbers compared to ones based solely on household projections. Volatility in some indicators requires care to be taken: in these cases rolling average comparisons may be helpful to identify persistent changes and trends.

In areas where an upward adjustment is required, plan makers should set this adjustment at a level that is reasonable. The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be.

Market signals are affected by a number of economic factors, and plan makers should not attempt to estimate the precise impact of an increase in housing supply. Rather they should increase planned supply by an amount that, on reasonable assumptions and consistent

⁷ Paragraph: 015 Reference ID: 2a-015-20140306

⁸ Paragraph: 019 Reference ID: 2a-019-20140306

⁹ Paragraph: 020 Reference ID: 2a-020-20140306

with principles of sustainable development, could be expected to improve affordability, and monitor the response of the market over the plan period.

The list of indicators above is not exhaustive. Other indicators, including those at lower spatial levels, are available and may be useful in coming to a full assessment of prevailing market conditions. In broad terms, the assessment should take account both of indicators relating to price (such as house prices, rents, affordability ratios) and quantity (such as overcrowding and rates of development).'

Relevance to CWaC

- 2.10 The Councils housing target is supported by a large amount of demographic modelling. However despite the 'beta' guidance being available to the Council prior to submission of the Local Plan, the evidence base fails to consider an uplift in objectively assessed need (OAN) to address 'market indicators'. The main Council evidence base, the Strategy and Housing Background Paper (2013) does not consider affordability when considering the preferred housing target of only 1,100 dpa.
- 2.11 Nor does the Councils evidence base test the trend based periods used in the demographic modelling to ensure that the period was reflective of the market demand for new homes.
- 2.12 There is a very large weight of evidence to show that in this area the projections are not a true reflection of the market demand for new homes because the area has under provided new homes in the past. This has contributed to a chronic lack of affordability and relatively high house prices in the Borough.
- 2.13 CWaC has under provided new homes in the past because:
- The area has lacked comprehensive and up-to-date development plan coverage which limited the supply of development land;
 - The Cheshire Structure Plan 2016 adopted a low housing target because it sought to plan for nil inward migration; and
 - Market demand for new housing land ran well ahead of the Structure Plan targets and in response the Council adopted a housing moratorium.
- 2.14 The Councils acknowledges this and it is clearly explained in the Council's 2013 Housing Monitor (April 2013). The Housing Monitor states that the Council actively sought to restrain housing supply and introduced a moratorium on new permissions which sharply cut the delivery of new homes from 2006 onwards: The Housing Monitor states:
- "The average annual housing target within RPG 13 was 1,630 homes for the whole of Cheshire. This was translated into individual housing targets for each of the predecessor districts through the Structure Plan Alteration. The combined target for the district areas that now comprise Cheshire West and Chester was 850 homes. The expectation was for this to be met, but not exceeded, through the managed and phased release of housing land. **The reduced level of completions from 2006/07 reflected these targets with further pressure being placed on the districts***
-

through the 2006 Structure Plan to rein back the supply of land further because of the 'over-delivery' against this target immediately post 2002 (the base date for the targets).¹⁰

2.15 The table below is taken from the most recent Housing Monitoring Report (April 2013).

Figure 2.1 Housing completions

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Chester	333	430	585	190	203	267	n/a	n/a	n/a	n/a
E.Port & Neston	284	311	284	149	226	289	n/a	n/a	n/a	n/a
Vale Royal	445	377	467	460	278	167	n/a	n/a	n/a	n/a
CWAC Total	1,062	1,118	1,336	799	707	723	733	654	803	673

Source: Cheshire West and Chester (2013)

2.16 Older data; presented in the Strategy and Housing Background Paper (Table 4) shows that between 1996 (the beginning of records) and 2003 (in the table above) the rate of housing delivery exceeded the current plan target in every year bar two (and even in these cases, there was only a very minor shortfall). In 2000/01 1,024 new homes were delivered and in 2002/3 1065 new homes were delivered. At its peak (1998) over 1,750 new homes were delivered.

2.17 There is a sharp drop in the delivery of new homes starting in 2006. Nationally this was still a period of otherwise high housing delivery and housing boom. In the North West region 2007/8 was a record year for house building with the region delivering 26,000 new homes, the highest rate of delivery since the current data set started recording dwelling completions (CLG table 118). Therefore the decline in housing delivery in CWAC cannot be attributed to demand side factors, the credit crunch or recession. The decline in recent house building is the result of the policy induced housing moratorium and a lack of housing land.

2.18 More recently the Council has further exacerbated the problem but 'updating' their demographic data. While more recent data is generally preferable in this case it only serves to bring more of the recessionary / moratorium period into the trend periods used in the recession; so dampening the true need for new homes.

Market Signals

2.19 As noted above the Councils evidence has failed to consider the need to secure an uplift in housing provision to respond to market signals. The Council's Housing and Strategy Background Paper (2013) makes no mention of market signals when setting the housing target.

2.20 However the former SHMA (2013)¹¹ highlights a chronic problem with house prices and affordability. The SHMA states that the Borough is consistently in the top quarter of 'unaffordable' districts in the North West. The SHMA calculated an income to house price

¹⁰ Paragraph 4.4

¹¹ Cheshire West and Chester 2013 Strategic Housing Market Assessment

ratio of 1:6.6 for the Borough and a lower quartile house price which was £26,000 more than the regional average. Paragraph 3.3. of the SHMA states:

“The median price across the Borough has been consistently higher than the regional median mean price but lower than the national median price”

- 2.21 This is directly contrary to the Planning Guidance which seeks an upward revision in housing need purposely to tackle housing affordability.

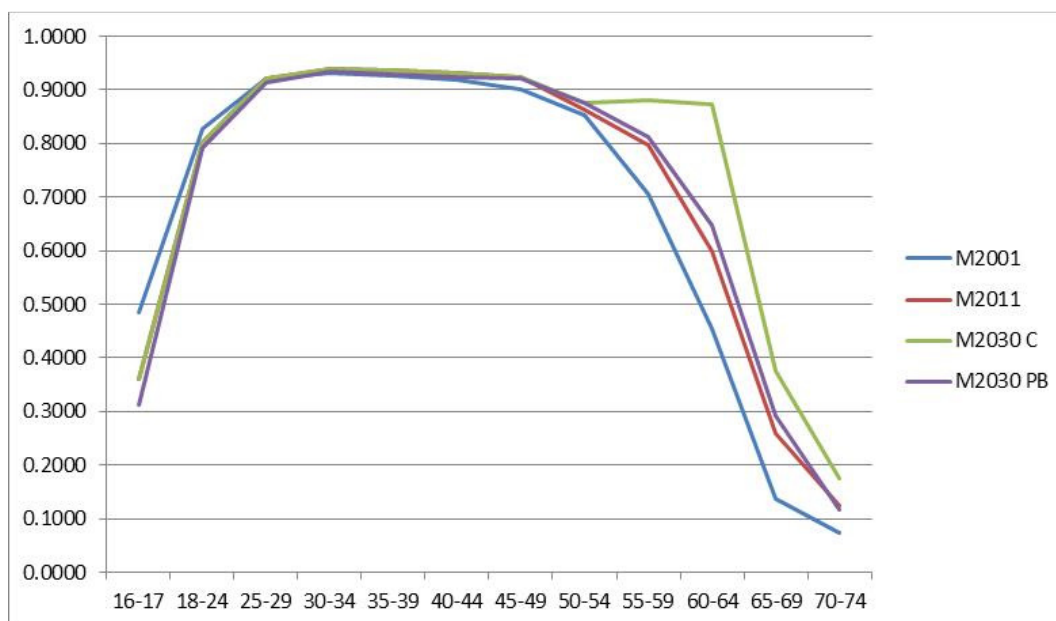
Labour Force

- 2.22 A key consideration for any Council is that it should, through its Local Plan, adopt an approach which supports the local and national economy.
- 2.23 For the purpose of potential housing targets the decision maker needs to ensure there is a suitable supply of working-age people so that economic potential is not constrained.
- 2.24 In many areas, including CWaC, the indigenous labour force is declining as the resident population ages. The Council’s own evidence shows that without substantial levels of inward migration the number of local jobs declines¹². However there is disagreement as to whether the Council’s housing target in Local Plan Policy STRAT 2 is sufficient to offset this and also provide a workforce to meet the area’s economic potential.
- 2.25 In the most recent evidence, the Strategy and Housing Background Paper (2013), the Council made a number of key assumptions, departing from more industry standard assumptions about the contribution older people will make to the workforce in the future.
- 2.26 In summary this means that the Council now assumes that it can secure a higher workforce with fewer new homes compared with older evidence. So effectively ‘sweating’ the existing resident population to provide more workers from the existing housing stock.
- 2.27 The figure below illustrates the impact of the Council’s most recent adjustments to the economic activity rate assumptions for males. In the chart PBA use more industry standard assumptions for activity rates in 2030 (derived from research undertaken by Kent CC13). The difference between these and those rates adopted by the Council for 2030 (‘M2030 C’ in Figure 1.3) is stark.

¹² See Table 1 of the Strategy and Housing Background Paper 2013.

¹³ Kent County Council Technical Paper: Activity Rate Projections to 2036 (October 2011)

Figure 2.2 Cheshire West and Chester: Male Economic Activity Rates: 2001, 2011 and 2030



Source: PBA. Note 'C' is the Council's assumptions and PB is PBA.

- 2.28 The Council's Housing Background Paper justifies their adjustment because they say they have undertaken additional research focusing in detail at their area. This research warrants a departure from more industrial standard assumptions. Most noticeably the Council has seen a higher rate of economic activity in older age groups than former projections expected. But part of the reason for this could be related to the very tight labour market exacerbated by the recent lack of house building and limited inward migration.
- 2.29 There is a large amount of uncertainty around economic activity rate assumptions. But the risk to the plan (and the local economy) is that the Council underprovides new homes and so underprovides a workforce for the growing local economy. It seems both prudent (and sensible planning) to err on the side of caution which suggests more new homes ought to be provided than the Council is making provision for.

Economic Aspirations

- 2.30 The third broad area of disagreement is a potential misalignment between the Council's stated economic objectives and that which is achievable given the proposed housing number and labour force (as discussed above).
- 2.31 In 2013 the Council adopted a new economic development strategy "An Economic Growth Strategy for West Cheshire 2013 – 2018". This states that the Council's aspiration is to deliver 1,000 new jobs each year. The document says this is the local expression of the wider LEP aspiration, their share of the much larger 75,000 new jobs being promoted by the LEP.
- 2.32 Assuming the aspiration to provide 1,000 new jobs a year continues beyond 2018 the area needs to provide for 20,000 new jobs in total.

- 2.33 However the Council's own evidence, presented in the Housing Background Paper shows only 700 jobs a year from their preferred housing scenario even with the bespoke adjustments of the economic activity rates discussed above.
- 2.34 A number of the objectors highlight this discrepancy between the Council's economic objectives and the number of jobs which could be delivered given the constrained housing number.
- 2.35 This factor alone has caused a number of Inspectors to query Council's housing numbers including the recent South Worcestershire Development Plan examination (which was suspended in late 2013 pending further work) and the 2012 East Hampshire examination at which the inspector stated:
- "The JCS [Joint Core Strategy] at paragraph 3.4 states that the 'District's economy will meet the employment needs of both residents and businesses'. I am concerned that the level of housing proposed in the JCS (added to an ageing population) would limit the supply of local workers, prejudicing existing businesses and making the District less attractive to new employers. It could also lead to increased levels of in-commuting." (East Hampshire District Council, 2012)."*
- 2.36 Very recently (January 2014) the Inspector examining the Aylesbury Vale Local Plan suspended the examination partly because:
- "In simple terms there is a clear and substantial mismatch between the level of housing and jobs planned".¹⁴*
- 2.37 As with Aylesbury Vale there is clear mismatch in the CWaC plan between the economic aspirations of the Council (and the LEP) with the proposed housing number and potential labour supply. Even using bespoke assumptions about the extent to which older people will remain economically active the Council has no credible way of meeting its own job aspirations.
- 2.38 The only way to remedy this would be to increase the delivery of new homes to provide for a growing labour force. Otherwise the lack of labour will constrain the areas economic potential.

Migration and Cross Boundary Planning

- 2.39 All the Council's evidence has been prepared solely for Cheshire and Chester area and not for the HMA as required by the NPPF paragraph 47. A large number of the Inspectors examination questions relate to the absence of any cross boundary evidence and the potential need for the Borough to accommodate other areas housing need.
- 2.40 The failure of the evidence base to consider the HMA as a whole has been reason for a number of Inspectors to conclude that Local Plans are unsound.
- 2.41 Most recently (April 2014) the Charnwood Local Plan examination was suspended for 9 months to allow the preparation of a new HMA wide evidence base. When considering the Councils single district evidence the Inspector stated:

¹⁴ Inspectors Letter 7th January 2014. Paragraph 37.

“..... the HRS [the single district Housing Requirements Study] only considers the housing needs of Charnwood. Whilst some analysis of how the figure of 790 houses per year would accommodate in migration from Leicester City and elsewhere is undertaken, there is no assessment of the housing needs of the HMA as a whole or the role of Charnwood in accommodating them. The scope of the HRS is therefore inconsistent with Paragraph 159 of the NPPF” (P18)¹⁵

- 2.42 CWaC is in a worse position than Charnwood in that there was some (old) HMA wide evidence which the Inspector has now asked to be updated. But in CWaC all the evidence has been prepared in isolation of the HMA Partners; including even Cheshire East. This is despite the fact that there is evidence, prepared on behalf of CLG in 2010 which suggests that CWaC is not a single HMA and forms part of a number of larger cross boundary HMAs¹⁶.
- 2.43 The research produced a theoretically-based and rigorously-defined HMA boundaries for England. It was particularly innovative in drawing on three different strands of evidence: commuting, migration and housing price patterns so is broadly reflective of how the PPG requires Local Authorities define HMAs today¹⁷.
- 2.44 For CWaC this research is complicated because it pre-dated the merger of the former Cheshire Boroughs. However it is clear that the former Boroughs of Chester, Vale Royal and Ellesmere Port and Neston (which now make up Cheshire West and Chester) formed part of two much larger HMAs.
- 2.45 The most well related to the new Borough of CWaC is the ‘Chester and Birkenhead’ HMA which included:
- Wirral
 - Flintshire
 - Chester
 - Ellesmere Port & Neston
- 2.46 The east of the District, formally Vale Royal, formed part of a large Manchester HMA which included:
- Bolton
 - Bury
 - Manchester
 - Oldham
 - Rochdale

¹⁵ Inspectors Letter 1st April 2014

¹⁶ <http://www.ncl.ac.uk/curds/research/defining/NHPAU.htm>

¹⁷ Paragraph: 010 Reference ID: 2a-010-20140306

- Salford
- Stockport
- Tameside
- Trafford
- Macclesfield
- Vale Royal
- High Peak

- 2.47 In summary, the CWaC evidence base has only ever been prepared solely for the Borough. So from the analysis we have available we don't know whether the Borough may be required to meet unmet need from its own HMA(s) or between neighbouring HMAs. Nor do we know whether the high economic aspirations for the area can be met by increased inward commuting from HMA neighbours.
- 2.48 As noted above many inspectors have considered this a fundamental failure of the evidence base and so refused to allow plans to proceed to full examination until the evidence is provided.

Lack of Justification for the 1,100 dpa target.

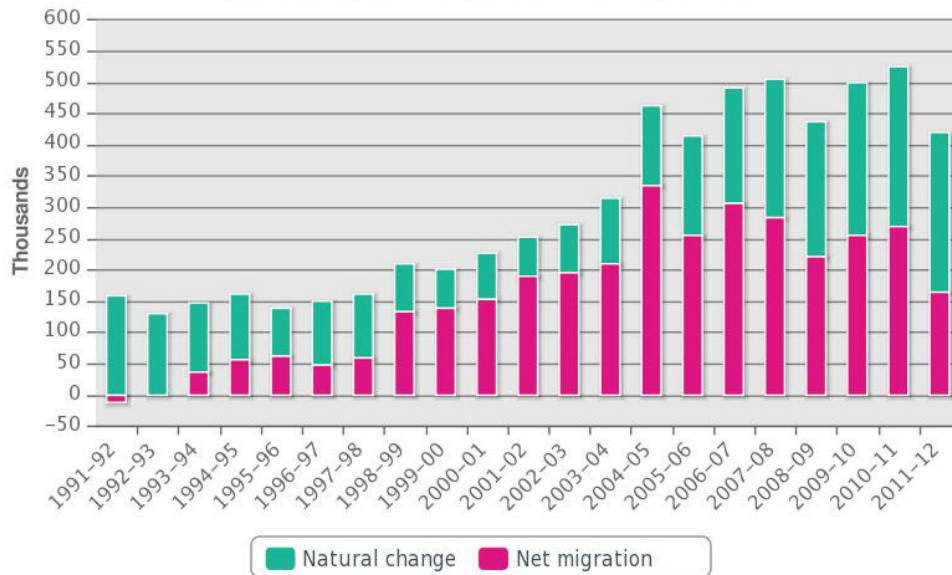
- 2.49 Finally there is a concern that while the Councils evidence extensively discusses a wide range of scenarios there is limited (or no) evidence to support the final and chosen housing target proposed in Policy STRAT2.
- 2.50 The 1,100 dpa scenario presented in all the evidence is effectively dwelling constrained scenario and so cannot be taken as an objective assessment of housing need.
- 2.51 Higher scenarios, for example the 0.7% or 1.2% economic growth scenarios are considered in the evidence but are simply discounted by the Strategy and Housing Background Paper (2013) because the Council considers the outputs implausible:

“these scenarios resulted in rates of population growth and levels of net inward migration that were too high to be plausible” (para 3.13, Strategy and Housing Background Paper 2013)

- 2.52 However limited or no evidence is provided about the implausibility of the migration assumptions. The (higher) 0.7% growth scenario was dismissed but required only 1,600 dpa. The Borough has briefly achieved this before the Cheshire Structure Plan was published and the Housing Moratoriums took effect.
- 2.53 The Borough only exceeded 1,600 in a single year (1998) but this predated the rapid national increase in housing demand. As the chart below shows in 1998 population growth was less than 50% of that seen in more recent years. Given that the national demand for housing has increased since 1998 achieving the 1,600 dpa does not appear so implausible. So question to what extent a higher level of house building could not be supported.
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UK annual population change: 1991-2012

Chart provided by www.migrationobservatory.ox.ac.uk



Source : Office of National Statistics. Mid-year population estimates

Summary

- 2.54 The analysis above casts significant doubt that the Councils housing target for the Borough is robust. While the Council has prepared a weight of evidence its final choice of 1,100 dpa bears little resemblance to an objective assessment of need as required by the NPPF and Planning Guidance.
- 2.55 Potential (higher) scenarios are discounted because they appear 'implausible' as opposed to undeliverable. The choice of 1,100 dpa is a 'boost' in housing delivery but only when referenced to periods of 'nil net' structure plan housing constraints and housing moratoriums; neither of which are acceptable in the current planning context and so should not be used to provide any 'comfort' that the current housing target is compliant with more recent national policy.
- 2.56 Perhaps most obvious and critically the evidence failed to consider the role of CWaC in the wider housing market and several plans have failed to proceed simply because they have not considered this point and prepared HMA wide evidence.
- 2.57 The section above is only a summary of the concerns raised by many through the consultation process. But it is clear the evidence has significant weaknesses as regards compliance with National Policy and even alignment with the Councils own economic aspirations.
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3 CONCLUSIONS

- 3.1 We have identified a number of areas of concern with the Council's emerging district wide housing target.
 - 3.2 In more detailed representations, on behalf of Ainscough Strategic Land PBA calculated that 1,700 new homes each year or 34,000 over the plan period are needed to provide for the 1,000 new jobs per year the plan is seeking and meet housing need.
 - 3.3 In other representations Barton Wilmore submitted that the objectively assessed housing need for the Borough is a minimum of 38,000 new homes (1,900 dpa), and Gladman proposed 35,000 new homes (1,750 dpa). NLP suggested one of the lowest uplifts but still calculated that 29,000 (1,450 dpa) are needed,
 - 3.4 Any uplift in the Borough housing target will necessitate an uplift in the Winsford housing figure.
 - 3.5 Assuming 1,700 new homes are needed per year (as per PBA calculations) the plan needs to provide for 34,000 new dwellings across the borough, increasing the Winsford 'share' to 5,600 new homes.
 - 3.6 For Winsford this is a minimum because it assumes that all other parts of the Borough can accommodate their proportionate uplift. But other parts of the Borough are more constrained (e.g. Chester Greenbelt) and if the Borough housing target increases is quite possible that sustainable locations such as Winsford may need to take a greater share of any uplift and new sustainable sites identified.
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