



# THE HOME BUILDERS FEDERATION

Date: 16<sup>th</sup> February 2015  
Consultee ID: 105  
Matter: 4A

## **BRADFORD LOCAL PLAN CORE STRATEGY EXAMINATION**

### **MATTER 4A: HOUSING REQUIREMENT**

*Has the Council undertaken its objective assessment of housing need in line with the latest national guidance and good practice (NPPF/PPG)*

#### ***Question 4.1 Policy HO1 – The District’s Housing Requirement***

**a. How has the Council undertaken an objective assessment of housing needs for Bradford, which is justified by robust and proportionate evidence and has been positively prepared, taking account of all the relevant factors, and does the Plan fully meet the objectively assessed needs for market and affordable housing in Bradford, along with any unmet housing requirements from neighbouring authorities, including:**

**i. The Plan proposes to provide at least 42,100 homes (2013-2030). What is the basis, justification, assumptions and methodology for the proposed level of housing provision, having regard to the supporting evidence (including the SHMA & SHLAA, Housing Requirement Study (August 2013 update), Housing Background Paper<sup>1</sup>), recent population/household projections (including the 2008/2011-based household projections and 2012 sub-national population projections), demographic change, migration, household formation rates, housing market area, key housing drivers, housing demand and market signals, the need for affordable housing and the relationship with the economic strategy, in line with the guidance in the NPPF (¶ 14, 17, 47-55; 159) and Planning Practice Guidance (ID: 2a/3)?**

1. The plan requirement for 42,100 homes does not relate directly to any demographic projection, the Strategic Housing Market Assessment (SHMA) or any of the modelled housing scenarios. It is a hybrid scenario which simply takes the mid-point between two modelled economic scenarios. There is no direct justification for this approach and therefore the HBF contends it does not represent an objectively assessed need.

2. The *Housing Requirement Study* (EB028) and subsequent updates (EB031, EB032 and EB033) consider a range of scenarios and assess these against the headship rates from the 2011 interim sub-national

---

<sup>1</sup> Housing Background Paper 2 (February 2014); Examination Document (16)

household projections (SNHP) projected forward past 2021 on a trend basis and the 2008 based SNHP. The six scenarios tested include official ONS based projections, migration and natural change projections and a jobs led scenario. The chosen housing requirement represents a mid-point (2,186dpa) of the jobs-led scenario between the 2008 (2,565dpa) and 2011 (1,807dpa) SNHP as presented in the addendum report (EB032). The scenarios were subsequently re-run in the 2014 update (EB033) utilising the more recent 2012 sub national population projections to provide slightly lower figures of 2,307dpa (2008 SNHP), 1,791dpa (2011 interim SNHP) and a mid-point of 2,049dpa. The Council has maintained its requirement at 2,200dpa. The latest SNHP are anticipated to be published in February 2015 and may provide further evidence on this issue.

3. The use of the mid-point figure was recommended in paragraph 4.6 of the Housing Requirements Study: Addendum Report (EB032) stating:

*'Given the uncertainty over where the real future performance of the economy and housing market might fall in the spectrum between assumptions underlying the 2008 and 2011 based household projections, the Local Planning Authority may consider that the most prudent approach would be to adopt a housing target which reflects this mid-point figure of 2,186 dwellings per annum'.*

4. Whilst the HBF concurs that modelling does not provide certainty we do have several concerns with this approach. Firstly the use of a mid-point is not based upon any prescribed methodology and infers that the Council is not confident in either modelled scenario. Secondly the continuation of the 2011 interim SNHP headship rate on a trend basis post 2021 is considered flawed. This approach has been discounted at numerous local plan examinations as the 2011 headship rates are known to suppress household formation due to the effects of the recession (e.g. Lichfield, South Worcestershire and Cheshire East). This approach will ultimately affect the mid-point and in our opinion unduly suppress the housing needs of the area. This continued influence of the recession upon the housing requirement is not considered to be positive planning and as such the HBF considers this contrary to the NPPF which requires plans to seek economic prosperity and be positively prepared.
5. Whilst the HBF takes issue with the use of a mid-point it is considered that the Council is correct to consider a jobs-led scenario. The PPG and NPPF require plan makers to assess employment trends (PPG ID 2a-018-20140306), and require local plans to integrate housing and economic needs, taking account of relevant market and economic signals (NPPF paragraph 158). Unfortunately, however, the chosen scenario is not consistent with the overall jobs-growth ambitions of the plan, but rather is representative of a business as usual scenario.
6. Plan Policy EC2: Supporting Business and Job Creation identifies the Council is planning to create at least 2,897 jobs annually. Yet the Housing Requirements Study update (EB033) indicates that the chosen jobs-led

scenario will only provide 1,536 jobs per annum. This is only 53% of the planned jobs growth identified in Policy EC2 and is not consistent with plan policy SC3: Working Together which indicates the Council is intending to 'balance housing with current and future employment opportunities'. The HBF remain unclear why if the Council is planning for annual jobs growth of 2,897 it is only providing sufficient housing allocations for 1,536 jobs annually. This is a significant mismatch which would either result in an over-supply of employment land and lost economic potential or significant amounts of in-commuting with the associated environmental implications. The HBF contends neither of these scenarios are desirable or in conformity with national policy and the requirement for sustainable development.

7. It is recognised that the plan suggests that the 2,897 jobs figure would be to provide full employment (paragraph 5.1.14). Therefore no further allowance is made for this significant uplift in jobs. Whilst this is a laudable aim it is unrealistic. A reduction in the unemployment rate to pre-recession averages would be a significant achievement, but full employment is likely to be unachievable. Whilst the HBF has not undertaken any specific modelling of the household requirements based upon the higher employment targets it is clear that this would undoubtedly increase the housing requirement within Bradford. The HBF is aware of submissions by others, such as NLP, which address this issue. The HBF is supportive of these supportive of this modelling work.
8. A further issue with the proposed housing requirement relates to the implication of market signals upon the needs of the area. It is unclear how and if market signals have been taken into account in determining the housing requirement. This is a fundamental element of determining the objectively assessed need for housing (PPG ID-2a-019-20140306). Whilst it is noted market signals are referred to in the original Housing Requirements Study (EB028) there is no discussion upon how this effects the proposed housing requirement, whether they should increase and if so by how much. The HBF considers this a failing of the current needs assessment and refers the Council to the recent interim comments by the Inspector of the Cheshire East Local Plan Strategy document who notes that;

*'SHMA takes account of a range of market signals, including house prices, rents and affordability, whilst other evidence addresses the past rate of development and overcrowding. However, it is not clear how the results of these assessments have been taken into account in the OAN estimates, they are not specifically referred to in the background forecasts and no direct action seems to have been taken to address these factors in the assessment of overall housing need.'*

9. In summary the HBF considers the proposed housing requirement to be flawed and recommends a higher requirement be considered.

**ii. What is the current and future 5, 10 & 15-year housing land supply position, including existing commitments, future proposed**

***provision, allowance for windfalls, phasing, balance between brownfield and greenfield sites, and provision identified in the latest SHLAA; and how will the proposed housing provision be effectively delivered?***

10. The SHLAA update (EB049), page 139, clearly identifies that the Council does not have a five year housing land supply. Whilst it is recognised this assessment is somewhat out of date it is considered unlikely, given the significant backlog, that the Council will be able to demonstrate a five year supply in the immediate future.
11. The SHLAA update identifies sufficient land to meet the overall requirement, identifying capacity for 53,708 dwellings (Table 2). However 3,850 units are referred to as being residual, meaning they would be delivered beyond the 18 year trajectory. The analysis of areas (Table 3) also illustrates that without this 'residual' supply there is insufficient capacity to meet the targets set within Policy HO3 in some sub-areas. These include the Regional City of Bradford which has a target of 28,650 compared to a supply of 27,051, the city centre has a target of 3,500 compared to a supply of 2,752 and Bradford SE has a target of 6,000 compared to a supply of 5,318.
12. It is also notable there is insufficient identified supply to meet the first five years requirement, even without the inclusion of the backlog. It should be noted that the HBF has not undertaken a thorough assessment of the SHLAA and the sites contained within it.
13. In terms of windfalls it is noted that the SHLAA does not make any allowance for windfalls (paragraph 8.6, EB049) and that it has reduced the site size threshold from 0.4 to 0.2ha. This will effectively reduce the scope for small windfall sites to add to the supply. The HBF is supportive of the Council in this regard as any windfalls which do come forward will provide a small degree of flexibility within the plan.

***iii. How does the Plan address the need for a 5/20% buffer to 5-year housing land supply, as required by the NPPF (¶ 47) to significantly boost housing supply, and how does it address previous shortfalls in housing provision, both during and before the current Plan period?***

14. The latest Annual Monitoring Report (AMR) published in March 2014 identifies that the Council has only achieved its housing requirement twice over the nine period from 2004/5 to 2012/13. It has also accumulated a backlog of 8,687 dwellings against the RSS requirement and 7,687 against the disputed plan requirement. The HBF contend that this level of under-delivery represents persistent under-delivery. In accordance with NPPF, paragraph 47, a 20% buffer should therefore be applied.
15. In terms of backlog the plan lacks clarity. It is, however, clear that the policy HO4 seeks to phase allocations in two phases so that 8/15 of the requirement is allocated for the first 8 years of the plan and 7/15 are allocated for the final 7 years of the plan indicating the Council intend to

spread the backlog over the plan period. Table HO1 also suggests such an approach. This approach is contrary to the advice contained within the PPG which states;

*'Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible. Where this cannot be met in the first 5 years, local planning authorities will need to work with neighbouring authorities under the 'Duty to Cooperate' (ID 3-035-20140306)*

16. The advice clearly does not seek to spread the undersupply over the plan period. In addition, as discussed in our matter 1 statement, the Council has not sought assistance from neighbouring authorities to meet its unmet needs and therefore the shortfall should be met within the first five years.

**iv. How does the Plan address previous backlogs in housing provision?**

17. See our response to question 4.1a(v) above.

**v. Is the allowance for vacant dwellings fully justified with evidence?**

18. The plan seeks to bring 3,000 empty homes back into use, these are discounted from the overall housing requirement. The PPG identifies that local authorities may consider including empty housing as a source of supply. In doing so it is clear that any approach must be '*robustly*' evidenced and '*avoid double counting*' (ID 3-039-20140306). Policy HO10 does indicate interventions and investment priorities will be set out within the Council's District Housing Strategy, the Council's Empty Homes Delivery Plan, its Neighbourhood Development Frameworks, Neighbourhood Action Plans and within a Householder SPD. It is also noted that the Council has undertaken a significant number of refurbishments in recent years. The evidence is not, however, clear if these 3,000 dwellings are currently included within the housing stock or indeed if and when they were removed from the stock.

**vi. How will the Plan fully meet the need for affordable housing (c.587 units/year)?**

19. The 2013 SHMA (ref: EB052) indicates a net annual shortfall of 587 affordable dwellings, based on the assumption that the backlog need is reduced over a 10 year period. If, as widely used and recommended by guidance, the backlog is assumed to be cleared over a 5 year period the net annual shortfall would be significantly greater at 1,302 annually (paragraph 4.63, EB052).

20. The achievement of 587 affordable dwellings annually using the current housing requirement (2,200dpa excluding backlog) would require approximately 27% of all dwellings provided to be affordable. This is in excess of the Council's stated policy upon affordable housing (Policy HO11) which identifies a requirement of between 15 and 30%. Given that the plan seeks to deliver the majority of housing within inner Bradford and

Keighley and the suburbs the majority will be delivered at between 15 and 20%. This is will not meet the affordable housing needs of the area. Indeed due to issues of viability and the fact not all housing sites will deliver affordable housing the actual amount is likely to be significantly below the requirement.

21. The 2013 and 2014 AMRs both identify affordable housing delivery rates at 198 and 196 units over the monitoring period. This is significantly below the overall requirement. In such cases the NPPG advises;

*‘An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes’.* (ID 2a-029-20140306)

The Council has not sought to meet the full needs for affordable housing and therefore is contrary to NPPF paragraphs 47 and 159 and as such must be regarded as unsound. To rectify this issue an uplift in the overall housing requirement is required to meet these needs.

***b. Has the overall housing provision level been set too high or too low?***

22. The HBF considers that the overall housing provision has been set too low, our reasons for this conclusion are set out in response to the other questions under matter 4a.

***c. What alternative levels of housing provision have been considered, having regard to any significant and demonstrable adverse impacts of proposing increased levels of housing provision within Bradford; what would be the basis and justification for any alternative level of housing provision?***

23. Other than the scenario testing within the Housing Requirements Studies the HBF is unaware any additional testing of other housing requirements has been undertaken by the Council. The HBF is aware of studies undertaken by other participants. Whilst the HBF has not undertaken a detailed assessment of the other studies it is noted that they recommend a higher housing requirement. This is consistent with our comments and the need to align the economic and housing strategies within the plan, remove the bias within the current requirement provided by the continuation of the 2011 interim SNHP and account for market signals.

***d. How does the objective assessment of housing needs relate to the employment and jobs strategy?***

24. I refer the Inspector to our comments upon question 4.1a(i) above.

***e. Does Policy HO1 effectively address cross-boundary housing issues, including the relationship with the Leeds City Region, in line with the NPPF (¶ 178-181), and has it taken into account the housing and economic strategies, plans, priorities and projects of adjoining local authorities and other bodies/agencies?***

25. The HBF does not consider that the policy effectively addresses cross-boundary issues. For further discussion see our matter 1 statement.

**Matthew Good**  
**Planning Manager – Local Plans**  
Email: [matthew.good@hbf.co.uk](mailto:matthew.good@hbf.co.uk)  
Tel: 07972774229