

**Bradford Local Plan**

**Core Strategy Examination**

**Further Statement Relating to PS/F059 – Housing  
Market Signals**

**Date: 29<sup>th</sup> April 2015**

## Introduction

- 1.1 This statement sets out the Council's position response to comments made by Johnson Brook (PS/F077c) and by the HBF (PS/F083b) relating to the assessment of housing market signals as part of the process for assessing housing need and in particular the Council's statement PS/F059.

## Response

- 1.2 The Council has set out clearly and comprehensively how it has gathered evidence on housing market drivers and signals and where that evidence can be found. It has drawn attention to the work and analysis contained within both the Strategic Housing Market Assessment (SHMA) and within the GVA / Edge Analytics Housing Requirement Study. It has accepted that the text within the Core Strategy needs updating and amending both to reflect this analysis and to be clearer on which housing market signals the Council considers most significant in determining the scale of housing need. It has put forward a possible modification to the supporting text to Policy HO1 to achieve this clarification.
- 1.3 The Council has suggested that the most significant indicator in the district is the level of overcrowding within certain parts of the urban areas. It has explained how the numbers of overcrowded properties has increased and considers that this is in large part due to the under supply of new homes compared to household growth and housing need within those urban areas. This is why the Council has included a backlog element within its housing need assessment.
- 1.4 The Council maintains that the inclusion of a very large backlog element is relevant as the Government within paragraph 2a-019 of the NPPG states that past rates of delivery and in particular under delivery are a relevant market signal. More importantly the result of adding allowances for both backlog and future employment growth into the housing needs assessment is that the resulting quantum lies well in excess of the baseline assessment of need indicated by the most up to date Government produced sub national household projections.
- 1.5 It is difficult to understand how the HBF or Johnson Brook can make any case for house prices or affordability being a market signal which justifies an uplift in the assessment of housing need. Put simply no credible evidence for this has been presented. The work which the HBF and Johnson Brook refer to (carried out by NLP on behalf of CEG) is far from convincing. It fails to put the data quoted in any sort of context, and fails to recognise that house prices and affordability (particularly at a time of housing market failure and economic recession) are not just the result of housing supply.
- 1.6 The Council also strongly disputes the claim made by Johnson Brook that 'affordability ratios within the district 'remain significantly higher than the regional and national averages.' No data is provided to back up this claim. The following are extracts from the SHMA Update 2013 (EB/052):
  - Paragraph 3.4 / page 36 indicates that the median house price within Bradford has been consistently lower than both the regional and national mean price;
  - Paragraph 3.6 indicates that Bradford is ranked as the 10<sup>th</sup> most affordable district within the 21 districts of the Yorkshire and Humber region based on the ratio of lower quartile house prices to incomes;
  - Table 3.1 indicates that the district wide income to house price ratio in Bradford – at 7.1 – lies below the regional average of 7.6

- 1.7 Furthermore Johnson Brook's assertion that affordability ratios are significantly higher than the regional and national averages is not even supported by the analysis within NLP's assessment (PS/D025w) which at page 43, using CLG data, clearly shows that the affordability ratio for the district lies just below the West Yorkshire average and very significantly below the national (England) average.
- 1.8 In conclusion the Council considers that it has undertaken a full, comprehensive and robust objective assessment of housing need which is NPPF and NPPG compliant and which has incorporated an appropriate assessment of market signals. No credible data or argument has been made by the developers to suggest that there is any justification to any further increase in the proposed housing target based on market signal or indeed any other factors.