

MANSFIELD LOCAL PLAN EXAMINATION

**MATTER 4 – WHETHER OR NOT THE APPROACH TO ASSESSING
HOUSING & EMPLOYMENT NEEDS & THE HOUSING & EMPLOYMENT
LAND REQUIREMENTS ARE ROBUSTLY BASED & CONSISTENT WITH
NATIONAL POLICY**

Inspector's issues and questions in bold type.

This Hearing Statement is made for and on behalf of the HBF which should be read in conjunction with our representations to the pre submission Local Plan consultation dated 1st November 2018. This representation answers specific questions as set out in the Inspector's Matters, Issues & Questions document issued on 20th March 2019.

Issue – Is the objective assessment of housing need (OAHN) and the housing requirement in Policy S2 soundly based?

1. What evidence justifies the use of the standard method to assess local housing need (LHN) when the plan has been submitted for examination during the transitional period?

In the pre-submission Local Plan consultation, which ended on 1st November 2018, the proposed housing requirement was based on LHN calculation using the Government's standard method. At this time the HBF misunderstood the Council's intentions and assumed that the Plan would be submitted for examination post 24 January 2019 after transitional arrangements ended. The Plan was actually submitted for examination on 19th December 2018. If it had been submitted one month later then it would have automatically been examined under the 2019 National Planning Policy Framework (NPPF).

It is understood that the Council is seeking to justify the use of the standard method in four ways as set out in para 2.10 of the Housing Technical Paper Addendum (H2). The Council's four justifications and the HBF response to each justification are set out as follows :-

- The imminent introduction of the standard methodology. The Council could have avoided the present dilemma by simply delaying the submission of its Local Plan for examination by one month ;
- The age of the 2015 Strategic Housing Market Assessment (SHMA) evidence which could be considered out of date. The 2015 SHMA is over four years old but the Council undertook an update of this evidence in 2017 ;
- The Council is concerned that 5 YHLS could not be achieved against the higher SHMA figure. The Council cannot justify moving to a lower housing figure because it is an easier option. Such an approach is totally contrary to the Government's objective of boosting housing supply ;

- Neighbouring authorities have agreed. This overstates the agreement reached by the Housing Market Area (HMA) authorities. Previously it was considered that the SHMA figure should be retained as a diversion away from this figure may undermine the HMA position resulting in a housing shortfall in the HMA (also see HBF answer to Matter 1 Q3).

2. How has the plan's housing requirement of 6,500 dwellings (325 dwellings per year) set out in Policy S2 been arrived at having regard to the 'starting point' of 279 dwellings per year set by the standard methodology?

The LHN starting figure is based on 2014 Sub National Household Projections (SNHP) of 247 dwellings per annum uplifted to 279 dwellings per annum to improve affordability using 2017 median house price to household income ratio of 6.03. This LHN starting figure of 279 dwellings per annum has been further increased to a housing requirement of 325 dwellings per annum because :-

- Average build rates since 2001/02 have been greater than 279 dwellings per annum. It was considered that this starting point figure would not represent a boost to supply to address housing affordability ;
- The starting point would not meet the economic growth aspirations of D2N2 Local Enterprise Partnership (LEP) or the District's employment land requirement. In the 2015 SHMA the job forecast (including Policy-On Nathaniel Lichfield Partners (NLP) adjustment for additional economic potential) identified a housing need of 328 dwellings per annum.

3. Is the housing requirement of 325 dwellings per year justified when the OAHN set out in the SHMA (H4) and Demographic Update Paper (H5) is a different figure?

The 2015 SHMA identifies OAHN of 376 dwellings per annum based on a demographic need of 356 dwellings per annum using 2012 SNHP plus adjustments for 12 years migration trend, Unattributable Population Change (UPC) and Household Formation Rates (HFR) for the 25 – 34 age group.

The Demographic Update Paper identifies an updated demographic need of 338 dwellings per annum based on 2014 SNHP plus 10 years migration trend.

4. As the plan's housing requirement is based on the standard methodology, are there any implications arising from the revised National Planning Practice Guidance (NPPG) which indicates the use of the 2014 based household projections as a baseline for the assessment of need?

There are no implications arising from the publication of the revised NPPG as the Council's LHN is calculated using the 2014 based SNHP.

Using the 2016 based SNHP the LHN starting point would be 338 dwellings per annum which is the same as the proposed housing requirement.

5. Is the housing requirement of 325 dwellings per year aligned with the plan's economic strategy and jobs growth? How much of the figure can be attributed to needs arising from demographic change and how much to jobs growth? Does the evidence justify that approach?

The higher housing requirement of 325 dwellings per annum is to meet economic growth aspirations by aligning jobs growth and the Council's economic strategy. The uplift of 46 dwellings per annum above the LHN of 279 dwelling per annum is attributable to economic growth derived from the 2015 SHMA job forecast (including Policy-On NLP adjustment for additional economic potential) which identified a housing need of 328 dwellings per annum. The evidence justifies the approach but it is noted that in this instance the Council is content to rely up on evidence set out in the 2015 SHMA which the Council considered may be out of date (see answer to Q1).

6. Does the housing requirement take appropriate account of the need to deliver the identified need for affordable housing?

The 2015 SHMA identifies net affordable housing need as 64 dwellings per annum based on 30% affordability threshold. This represents circa 20% of housing requirement. Viability is challenging across the District therefore affordable housing provision is set out on a differentiated basis across the District. Policy H4 requires affordable housing provision on sites of 10 or more dwellings in Zone 1 of a minimum 10% on greenfield sites and a minimum 5% on brownfield sites and in Zone 2 of a minimum 20% on greenfield sites and a minimum 10% on brownfield sites. As only greenfield sites in Zone 2 are required to provide a minimum of 20% affordable housing it is unlikely that affordable housing need will be met in full and so inevitably some affordable housing need will be unmet. It is acknowledged that the Council may not be able to meet full affordable housing needs because to seek to deliver all identified affordable housing need as a proportion of market housing may result in an unrealistic and undeliverable position however it does not necessarily mean that some increased provision could not be achieved. The scope for additional housing above the LHN starting point of 279 dwellings per annum as a contribution towards meeting more affordable housing need was not considered. The proposed housing requirement of 325 dwellings per annum to achieve economic growth will provide some additional affordable housing but affordable housing delivery was not separately taken account of.

7. Does the use of the standard methodology have any implications for other local authority areas within the Outer Nottingham HMA?

Currently the calculation of housing needs in the Outer Nottingham HMA is in a state of flux as set out below :-

On 6th September 2018 the Ashfield Local Plan was withdrawn from examination. The new Ashfield Local Plan will be brought forward under the 2019 NPPF and revised NPPG therefore its future housing requirement will be calculated using the standard methodology ;

On 7th March 2019 the Newark & Sherwood Amended Core Strategy DPD was adopted. The Inspector's Final Report dated 25th February 2019 found that the Council had co-operated with Ashfield and Mansfield District Councils in relation to the delivery of housing. The District's housing requirement was set at a minimum of 9,080 dwellings which was the same as the OAHN identified in the 2015 SHMA ;

The Mansfield Local Plan proposes a housing requirement of 325 dwellings per annum calculated from a standard methodology LHN figure even though the Plan was submitted for examination during the transitional period between the 2012 NPPF and the 2019 NPPF and the revised NPPG.

The Table below summarises OAHN, LHN and housing requirement figures across the Outer Nottingham HMA.

	MANSFIELD	NEWARK & SHERWOOD	ASHFIELD	HMA TOTAL
2015 SHMA OAHN	376 dwellings per annum (dpa)	454 dpa	480 dpa	1,310 dpa
2017 Update SHMA OAHN	358 dpa	460 dpa	483 dpa	1,301 dpa
LHN	279 dpa	510 dpa	518 dpa	1,307 dpa
Housing Requirement	325 dpa (as proposed)	454 dpa (as adopted)	518 dpa (assumed same as LHN)	1,297 dpa

The extent of the impact of using the standard method for calculating housing needs depends on the housing requirement figures adopted in respective Local Plans. If housing requirement figures are not above LHN starting points then there is a risk that housing needs as previously calculated for the HMA for the period 2013 – 2033 will not be collectively met (also see HBF answer to Matter 1 Q3).