

Matter 3 – Housing need and requirement

Issue - Is the identified housing requirement of 20,900 dwellings between 2020 and 2039 (1,100 dwellings per annum) in Policy S5 justified and consistent with national policy? [Policy S5 part A Managing the scale and distribution of new development]

Questions

a) Does the identified Local Housing Need (LHN) figure of 909 dwellings per annum represent an appropriate calculation of LHN? What was the LHN figure in October 2022, e.g. at the point the Local Plan Update was published for consultation?

1. The LHN calculation undertaken by the Council to identify the 909 dwellings per annum (dpa) is set out in Appendix A of the Scale and Distribution of Residential Development Background Paper. This has been based on a ten-year period of 2020 to 2030, and the 2019 mean affordability ratio. If these numbers were updated to reflect the ten period 2022 to 2032 and used the 2021 mean affordability ratio the LHN is reduced slightly to 895dpa.

b) Is the proposed uplift of LHN, to a requirement figure of 1,100 dwellings per annum, justified on the basis of delivery of additional affordable housing? How was the degree of uplift/total figure selected?

2. The HBF considers that the proposed uplift to the LHN to provide a housing requirement of 1,100dpa is appropriate. The HBF considers that this uplift is in line with the PPG¹ which states that there may be circumstances when it is appropriate to plan for a higher housing need figure than the standard method identifies. These circumstances include where there are growth strategies, strategic infrastructure improvements, an unmet need from neighbouring authorities or where previous levels of housing delivery in the area or previous assessments of need are significantly greater than the outcome of the standard method.

3. The Local Housing Need Assessment (LHNA) (Oct 2022) identifies an annual need for 584 affordable homes each year across the East Riding, this is more than half of the housing requirement. The PPG² states that an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes.

4. Table 1011 of the Government's Live Tables on affordable housing supply suggests that over the last 10 years East Riding have delivered 2,582 affordable dwellings at an average of 258 affordable dwellings per annum (adpa). However, over the last five years there has been a significant increase in affordable housing provision with 1,827 affordable dwellings provided between 2017/18 and 2021/22 with an average of 365dpa provided. Therefore, the need for affordable homes and the historic delivery of affordable homes suggests that it is appropriate to include an uplift to continue to address this issue.

¹ PPG ID: 2a-010-20201216

² ID: 2a-024-20190220

Home Builders Federation response to the
East Riding Local Plan Update Examination
Inspector's Matter, Issues and Questions

5. However, it is not clear how the degree of uplift was calculated, and why it is limited at 191dpa. The affordable housing need is clearly significant and is unlikely to be met by the 1,100dpa housing requirement. The HBF considers that the housing requirement could be increased further.

c) What is the relationship between the uplifted housing requirement and planned employment growth over the Plan period? Will labour supply be sufficient to support the higher economic growth scenario identified in the Employment Land Review Demand Update (2022) (S-EB09-03) and the level of employment development being facilitated by the Local Plan Update?

6. The HBF considers it is not clear what the relationship is between the uplifted housing requirement and the planned employment growth over the Plan period. The Local Plan allocates 208ha of land for employment. The Employment Land Background Paper (September 2022) sets out how the Employment Land Demand Update 2022 was prepared to provide new data on baseline and a higher growth scenario using the latest available econometric modelling forecasts. The higher growth scenario from the Demand Update adds additional employment to the baseline scenario based on committed development projects, inward investment pipeline and additional 'policy on' growth and incorporates an additional 30% uplift on land requirements for choice and churn. This higher growth scenario identified an employment land requirement of 207.5ha and produces an annual average jobs figure of +1,005.

d) Should there be a housing requirement for designated neighbourhood areas in Policy S5? (paragraph 66 in the NPPF)

7. The HBF does not wish to comment on this question at this time.