

## Home Builders Federation

### Matter 3

#### BROXBOURNE LOCAL PLAN EXAMINATION

#### Supplementary questions relation to Matter 3: Housing Need and Supply

**SQ20A.** Having regard to the ONS 2016-based household projections (296 households per year) how, if at all, should the Plan's assessment of housing need (454 dwellings per year) be modified?

When considering the latest ONS household projections in relation to OAN a number of factors, all required by the process for establishing housing needs as set out in PPG, would need to be taken into account before considering whether a modification is required.

Firstly, the Government have stated that their aim is, by the mid-2020s, for annual housing delivery to reach 300,000 dwellings per annum (dpa). To reach this level of delivery will require Local Planning Authorities to deliver significantly above the household projections. In order to achieve this the Government are looking to revisit the standard methodology to consider how this formula based approach could be adjusted to deliver 300,000 homes. Whilst this plan cannot consider the outcomes of the adjustment to the standard methodology it can consider the Government's continued aim to deliver 300,000 dpa and the degree to which its housing requirement will continue to support this national target. As we suggested in our representations we considered the Council's response to market signals to be insufficient and would not provide the necessary uplift to meet Government's expectations and improve affordability. Whilst the household projections have changed the concern regarding affordability have not and must be appropriately reflected in the final assessment of housing needs.

Secondly, the Government and ONS are set to produce a new set of household projections based on longer term household formation rates. Previous projections have looked at formation rates back to 1971 whereas the recently published 2016 based projections assesses formation rates back to 2001. The concerns with using this shorter period is the lower level of household formation rates amongst younger people in this period. Given that PPG requires Council's to consider the suppression of household formation rates this is an important consideration. This shorter period effectively means that nationally and locally we will be planning for much lower



household formation rates for younger people and the expectation that they will either live at home or in shared accommodation far longer than they have previously. These adjustments are still to be published but analysis by Peter Brett Associates<sup>1</sup> suggests that if the formation rates from the 2014 based projections are used alongside the 2016 based Sub National Population Projections annual household growth for the 2016 to 2026 period would be 325 households.

Thirdly, the Council still has a significant need for affordable housing. PPG sets out in paragraph 2a-029-20140306 that:

*“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.”*

Affordable housing needs will not be addressed by the current requirement and any reduction in overall delivery will further reduce the Council’s ability to meet needs. It is important that the Council, as a minimum, maintains its current requirement in order to support the delivery of more affordable housing. Finally, consideration would also need to be given as to whether an OAN based on the latest household projections would support the level of employment growth expected in the Borough during the plan period. At present the level of housing growth is considered to be sufficient to meet needs with 401 dwellings per annum required to meet jobs growth based on the East of England Forecasting Model.

In conclusion, whilst we must recognise that the latest household projections show a lower level of growth than previously expected it must be remembered that this is the starting point for any consideration of housing needs. Consideration needs to be given to vacancy rates, market signals, affordable housing needs, the suppression of household formation rates and whether the requirement will support expected jobs growth in the Borough. Given all these factors it is evident that there would need to be significant adjustments before arriving at a final OAN. Using the household projections adjusted for a vacancy rate of 1.34%<sup>2</sup> and suppression would result in a baseline housing need for 329 dpa. A 25% uplift for market signals, as we suggest in our representation, would result in an OAN of 411 dpa. This is not significantly different to the Council’s current housing requirement. If the pressing need for affordable homes is also taken into account there is no need to modify the plan’s current requirement on the basis of the latest household projections.

### **Issue 3.4F: Windfalls**

**SQ37A. Is the inclusion of a windfall allowance of 70 dwelling per year from 1 April 2021 justified and necessary to make the plan sound?**

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<sup>1</sup> <https://www.peterbrett.com/thoughts-views/our-blog/new-housing-numbers-and-new-population-projections-all-crystal-clear-now>

<sup>2</sup> Calculated using MHCLG table 615 vacant dwellings by district (542) and table 100 Dwelling Stock by District (40260).

The evidence set out in EXAM14D may not support the level of windfall being proposed by the Council being extend across the whole plan period. No indication has been given as to whether the development of small sites has come forward on residential gardens. Paragraph 48 of the NPPF outlines that such homes should not be included in this assessment.

Mark Behrendt MRTPI  
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