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SENT BY E-MAIL ONLY TO
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31st August 2019

Dear Sir / Madam

WILTSHIRE LOCAL PLAN REVIEW (LPR) – ALTERNATIVE DEVELOPMENT STRATEGIES CONSULTATION

Introduction

Thank you for consulting with the Home Builders Federation (HBF) on the above-mentioned consultation. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing. We would like to submit the following responses to the invitation to comment on the Council's Cabinet Report dated 30th April 2019 which was issued at the Developers Forum Meeting held on 23rd July 2019.

Local Housing Needs (LHN)

The LHN is calculated as 40,840 dwellings (2,043 dwellings per annum) for Wiltshire between 2016 – 2036. The calculation uses 2014 Sub National Household Projections (SNHP) and 2018 affordability ratio of 9.82 in accordance with the Government's standard methodology as set out in the 2019 National Planning Policy Framework (NPPF) and the updated National Planning Practice Guidance (NPPG). It is agreed that this figure should be kept under review until the submission of the LPR for examination.

The standard methodology establishes the Wiltshire-wide LHN but it does not disaggregate LHN across Wiltshire. There is no standard methodology for disaggregation. In Appendix 2 – Swindon & Wiltshire LHN Assessment 2019 by ORS dated April 2019 of the 30th April 2019 Cabinet Report the Council sets out the sub-division of Wiltshire into four local Housing Market Areas (HMA) namely Chippenham HMA, Salisbury HMA, Swindon (part in Wiltshire) HMA and Trowbridge HMA which differ from the three previously defined HMAs of the adopted Wiltshire Core Strategy. In the absence of a standard methodology for disaggregation the Council has devised two alternative scenarios for the disaggregation of LHN to each local HMA. These two scenarios are based on



5 or 10 years migration trends respectively (see 2nd and 5th columns of Figure 15 below extracted from Appendix 2 of 30th April 2019 Cabinet Report).

Figure 15: Total dwellings needed to align jobs and workers by HMA

Area	5-year migration trend			10-year migration trend		
	LHN	Additional dwellings to align jobs	Total dwellings	LHN	Additional dwellings to align jobs	Total dwellings
Chippenham HMA	13,629	3,290	16,919	17,411	2,979	20,390
Salisbury HMA	12,229	272	12,501	10,472	504	10,976
Swindon HMA (total)	25,277	1,091	26,368	23,736	1,183	24,919
<i>within Wiltshire</i>	<i>4,477</i>	<i>304</i>	<i>4,781</i>	<i>2,936</i>	<i>322</i>	<i>3,258</i>
Trowbridge HMA	10,505	1,002	11,507	10,021	976	10,997
TOTAL	61,640	5,655	67,295	61,640	5,642	67,282
Swindon Borough	20,800	787	21,587	20,800	861	21,661
Wiltshire	40,840	4,868	45,708	40,840	4,781	45,622

As emphasised by the 2019 NPPF and updated NPPG the LHN figure is the minimum starting point and in planning positively to support economic growth and prosperity housing requirements above LHN should be considered. The Council has considered an alignment of future jobs / workers and housing scenario of 45,600 dwellings (2,281 dwellings per annum). This higher figure has also been disaggregated to the local HMAs using 5 or 10 years migration trends scenarios (see 4th and 7th columns of Figure 15 above). The Council's consideration of a higher figure is appropriate.

It is noted that the representation of Wiltshire's housing needs set out in Table 1 of the 30th April 2019 Cabinet Report (see extract below) selects only two scenarios from Figure 15. The two selected scenarios are LHN disaggregated using 5 years migration trend (see 2nd column of Figure 15 above) and alignment of future jobs / workers & housing disaggregated using 10 years migration trend (see 7th column of Figure 15 above). The representation of Table 1 as the estimate of Wiltshire's LHN is misleading by its exclusion of other scenarios.

Table 1: Estimates of Wiltshire's Local Housing Need

	Wiltshire Core Strategy (2006-2026)	2017 SHMA (2016-2036)	Government Standard Method (2016-2036)	2019 SHMA review (2016-2036)
WILTSHIRE UA	42,000	44,000	40,840	45,600
CHIPPENHAM HMA	14,400	22,250	13,630	20,390
SALISBURY HMA	12,000	8,250	12,230	10,975
SWINDON HMA (part)	3,800	0	4,480	3,260
TROWBRIDGE HMA	11,800	13,500	10,500	10,995

* Figures may not add due to rounding

There is inadequate explanation (see para 11 of the 30th April 2019 Cabinet Report) for the Council's selection of the two scenarios set out in Table 1 as preferred scenarios. Furthermore the Council's proposed alternative growth strategy options for each local HMA test only the inadequately explained pre-selected preference for the alignment of future jobs / workers and housing disaggregated using 10 years migration trend scenario (see 7th column of Figure 15). It is noted that this scenario disaggregates almost all growth above LHN to the Chippenham HMA (see 7th column of Figure 15) in comparison to the more evenly dispersed disaggregation if the 5 years migration trend is used (see 4th column of Figure 15). It is suggested that the 5 years migration trend is a reasonable alternative scenario which should also be tested in the distribution of growth strategy options for each local HMA.

Alternative Strategies for Distribution of Growth by HMA

As proposed by the Council the basis for the alternative strategies for the distribution of housing growth by local HMA is 20,400 dwellings in the Chippenham HMA, 10,975 dwellings in the Salisbury HMA, 3,255 dwellings in the Swindon HMA and 11,000 dwellings in the Trowbridge HMA.

For each local HMA Option A rolls forward on a proportionate basis the adopted Core Strategy distribution (see para 19 of 30th April 2019 Cabinet Report).

Options B and C show alternative strategies based on different distributions of growth to the principle settlement, market towns and rural areas within each local HMA (see para 20 of 30th April 2019 Cabinet Report). These are :-

- Chippenham HMA Option B (the more constrained settlements continue at the adopted Core Strategy rate of growth & the remainder of growth is focussed on Chippenham) ;
- Chippenham HMA Option C (growth of +1,000 dwellings is focussed on Melksham) ;
- Salisbury HMA Option B (growth constrained at Amesbury, Tidworth & Ludgershall & growth is focussed on Salisbury) ;
- Salisbury HMA Option C (Salisbury & market towns continue at the adopted Core Strategy rate of growth & remaining growth is focussed in the rural area) ;
- Swindon HMA Option B (growth at Marlborough & West of Swindon is constrained to existing commitments & growth of +400 dwellings is focussed on Royal Wooton Bassett) ;
- Swindon HMA Option C (focus on the rural area. Marlborough & West of Swindon constrained to existing commitments & growth in Royal Wooton Bassett reduced) ;
- Trowbridge HMA Option B (Westbury growth point of +870 dwellings based on employment forecasts. Bradford upon Avon & Trowbridge are constrained to existing commitments) ;
- Trowbridge HMA Option C (focus +540 dwellings across the HMA aligned to past rates of housebuilding).

Option D for the Salisbury HMA is a new community at Boscombe / Porton (development across the HMA is constrained to existing commitments & growth is directed to the new community).

The Council's least favoured options are :-

- Chippenham HMA Option A ;
- Salisbury HMA Option A ;
- Swindon HMA Option C ; and
- Trowbridge HMA Option C.

The Council's more favoured options are :-

- Chippenham HMA Option B ; and
- Swindon HMA Option B.

It is noted that under Option A the housing requirements for Salisbury HMA, Swindon HMA and Trowbridge HMA are less than the adopted Core Strategy by 11%, 16% and 4% respectively. The Council should clarify if these reductions are caused by the pre-selection of the disaggregation scenario and / or the redefinition of HMAs. If the Council's alternative disaggregation scenario, which increases the housing requirement from 10,975 to 12,501 dwellings in the Salisbury HMA, from 3,255 to 4,781 dwellings in the Swindon HMA, from 11,000 to 11,507 dwellings in the Trowbridge HMA and reduces from 20,400 to 16,919 dwellings in the Chippenham HMA, was selected housing requirements of less than the adopted Core Strategy may not occur.

The Council should also consider the full implications of pursuing a disaggregated housing need focussed on Chippenham HMA combined with not pursuing its least favoured Option C in Swindon and Trowbridge HMAs on housing affordability and the sustainability of rural areas. Since 2008 housing affordability has worsened from 8.41 to 9.82 in 2018. The ratio of median house price to median gross annual income is a Wiltshire-wide figure, which may disguise a worse affordability ratio in specific HMAs and / or towns, therefore the median house price in rural areas may be much greater than £257,000.

The Assessment Tables in Appendices 4, 5, 6 & 7 of the 30th April 2019 Cabinet Report are poorly explained and provide insufficient justification for the Council's choice of more or least favoured options. At the next stage of consultation on the LPR further justifying explanations should be provided by the Council.

The LPR should set out a spatial strategy which accommodates the level of housing growth needed for Wiltshire and where that growth should be located. There should be a supply of deliverable and developable land for housing to meet Wiltshire's housing requirement, to maintain a 5 Years Housing Land Supply (YHLS) and to achieve performance measurements against the Housing Delivery Test (HDT). Market capacity and deliverability should be considered when determining the distribution of growth. The Council's Housing

Land Supply (HLS) should include a short and long-term supply of housing sites by the identification of strategic and non-strategic allocations for residential development situated in the most sustainable locations.

For the Council to ensure the sufficiency of its HLS the widest possible range of sites by both size and market locations should be chosen to provide suitable land for small local, medium regional and large national housebuilding companies. A diversified portfolio of housing sites offers the widest possible range of products to households to access different types of dwellings to meet their housing needs. Housing delivery is maximised where a wide mix of sites provides choice for consumers, allows places to grow in sustainable ways, creates opportunities to diversify the construction sector, responds to changing circumstances, treats the housing requirement as a minimum rather than a maximum and provides choice and competition in the land market.

The Council's residual HLS of 18,000 dwellings assumes that all current permissions and allocations come forward for development (see para 16 & Table 2 of the 30th April 2019 Cabinet Report). The Council's residual HLS will be greater than 18,000 dwellings because 100% delivery of permissions and allocations is unlikely to occur. It is critical that the Council's assumptions on lapse rates, non-implementation allowances, lead in times and delivery rates contained within its overall HLS, 5 YHLS and housing trajectory are correct and realistic. The Council's HLS should include some headroom above the minimum housing requirement to provide flexibility. There is no numerical formula to determine the quantum of this headroom but where the Council's HLS is highly dependent upon one or relatively few large strategic sites and / or one locality then greater numerical flexibility is necessary than if the HLS is more diversified.

Conclusion

It is hoped that these responses are useful to the Council in preparing the next stages of the Wiltshire LPR. If any further assistance or information is required please contact the undersigned.

Yours faithfully
for and on behalf of **HBF**



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