



Katharine Makant
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Basingstoke and Deane Local Plan Examination

Date: 27/10/2015

Our Ref: M15/0607-02

Your Ref:

By email only: katharine.makant@basingstoke.gov.uk

Dear Katharine

RE: Council's Response (MF08) to Inspector's Note on Objective Assessment of Housing Need (OAN)

We set out our comments below in relation to the Council's response (MF08) to the Inspector's Note on Objective Assessment of Housing Need. These comments are submitted on behalf of Basingstoke Holdings Ltd.

(i) Internal and international migration

As per our hearing statement Issue 3, we remain concerned that the OAN does not reflect DCLG 2012 household projections.

(ii) Commuting self-containment

As per our hearing statement for Issue 3, we remain concerned that there is a risk that by not increasing the housing requirement to adequately support economic growth aspirations the Local Plan will fail to provide sufficient housing.

(iii) Affordable Housing

(a) Affordability

PPG sets out (ref 2a-019-20140306) that the housing need number should be adjusted to reflect appropriate market signals, including affordability. It continues (ref 2a-020-20140306) that '*a worsening trend in any of these indicators will require upward adjustment to planned housing numbers compared to ones based solely on household projections*'

The Council's response paragraph 12 seems to accept that affordability has worsened but state it has not 'significantly' worsened. Paragraph 15 then goes on to state that '*As shown in Figure 2, affordability has been relatively stable over the last 10 years, suggesting there was not an undersupply in new housing. It is therefore not considered necessary to adjust the housing number in relation to this market signal.*'

However, when looking at figure 2 it is clear that the overall affordability ratio has increased significantly from 1997 (4.04) to 2013 (7.71). Whilst the percentage changes have fluctuated over the years overall the affordability ratio continues to rise. It is clear there is a requirement for an upward adjustment. It is noted the council consider housing prices and interest rates as a relevant factor (para 17) but the PPG only outlines to consider such factors when deciding a reasonable adjustment to the

OAN. In addition a reduction in interest rates does not adequately show the ability of people to afford a house.

(b) Affordable housing needs assessment

As highlighted in our hearing statement for issue 3 and at the examination sessions, the Housing Needs Statement does not take into account the full affordable housing need. This is also the case for the amended tables/scenarios in the Council's response.

The Council have indicated that by including single person households aged 34 and under, the affordable housing requirement increases to 357 dpa, based on the housing register August 2015 (Scenario B). Paragraph 23 of the Council's response refers that in August 2015 the housing register was 7,010 households, however page 8 table 3.1 Scenario B only accounts for 3,874 plus homeless households from the housing register. 3,074 households have been discounted without any full explanation from the Council. The table does state that it only includes households with housing need as defined by NPPG and local connection. However the NPPG does not set out any local connection criteria and it's not clear if the 3,074 households have been discounted due to the local connection aspect.

It is worth noting that this figure of 7,010 households at August 2015 differs from the figure the council gave in the Rebuttal Statement Issue 3: Spatial Strategy and Housing Need, paragraph 4.8.9, which states there were 5,662 households on the general needs housing register August 2015. Our previous comments at the hearing sessions were in relation to this figure but are updated below to reflect the change.

Paragraph 23 of the Council's response also sets out that the housing register has been significantly reduced in October 2015 to 1,733 households. No specific details have been provided on the significant reduction and the Council admit this figure is likely to be conservative as some households are likely to re-apply and be added to the register. It should be remembered that the statutory housing provision which now includes limiting the housing register to those which meet local connection criteria is different to the wider remit of the planning system which is to address the full need for affordable housing. Unlike the figure from August 2015, this housing register figure has been included in full in the calculations in page 8 Current Housing Need (Scenario C).

Attached (appendix 1) is an amended table for Scenario B taking into account the full 7,010 households on the housing register that the council has indicated existed at August 2015. This updates table 3.1, 3.2 on households in current need and then updates this figure in the final table 3.13. It assumes every other aspect remains the same in calculating the need, as per the council's response appendix 1 Scenario B, albeit there are concerns it doesn't go far enough and the overall affordable housing need is much higher. These details are set out further in the hearing statement for issue 3. Nonetheless it is considered the attached amended table provides a more realistic indication of the minimum affordable housing need of 501 dpa. Taking this as 35% (as per the council's calculation of affordable housing to the total requirement) of the overall housing requirement would suggest a total housing target of 1431 dwellings per annum.

It is recognised that achieving this level of affordable housing need may not be possible, thereby by taking the mid-point range from the council's indicated affordable housing need October 2015 (296 dpa) and the recalculated need attached (501 dpa), this identifies an affordable housing need of 399 dpa. Taking this as 35% of the overall housing requirement would suggest a total housing target of 1140 dwellings per annum, an increase in 290 dpa on top of the current Plan housing number (850 dpa). Whilst it is recognised that this would not account for the full affordable housing need, it would provide a step change and could also assist the council in providing additional housing to deal with the affordability concerns.

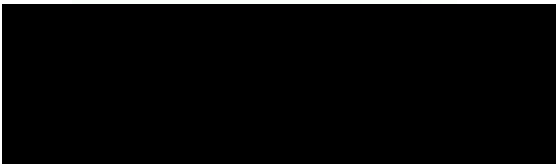
(iv) Implications for the Local Plan

It is recognised the increased housing requirement will result in additional housing allocations. However as discussed at Issue 6 Omission Sites there are sites available to come forward, including land at Dixon Road, Basingstoke (SHLAA ref SOL009). This is located adjoining Chineham/Basingstoke and as such its allocation would be in keeping with the spatial/development strategy to focus new development on Basingstoke (including Chineham). The allocation of the site would not be in opposition to the strategic gap policy. The Landscape Capacity Study 2008 (page 21) confirms the landscape character area, where the majority of the site is located within, (BA6 – Sherfield Court Mixed Farmland) and sets out the area has limited impact on the setting of Sherfield on Loddon but that any development would need to ensure an adequate buffer to prevent coalescence with the village. It does not identify the existing trees on site as an important landscape feature; the trees (recently felled and those remaining) are a plantation to be harvested for timber and therefore less weight should be attached to their contribution. The site is located at the southern end of the character area (furthest away from Sherfield on Loddon) and as such would ensure there continues to be an adequate buffer remaining. This conclusion is also reiterated in the Strategic Gap Topic Paper (TP03) page 21. As such the allocation of this site would not have any significant implications in terms of the spatial strategy or in respect of any environmental impact.

Summary

Overall it is considered the Council continue to fail in adequately considering the OAN and an upward adjustment as a result of affordability and the need for affordable housing. Therefore the Plan continues to be unsound and not justified by evidence base in accordance with the NPPF and PPG.

Yours sincerely

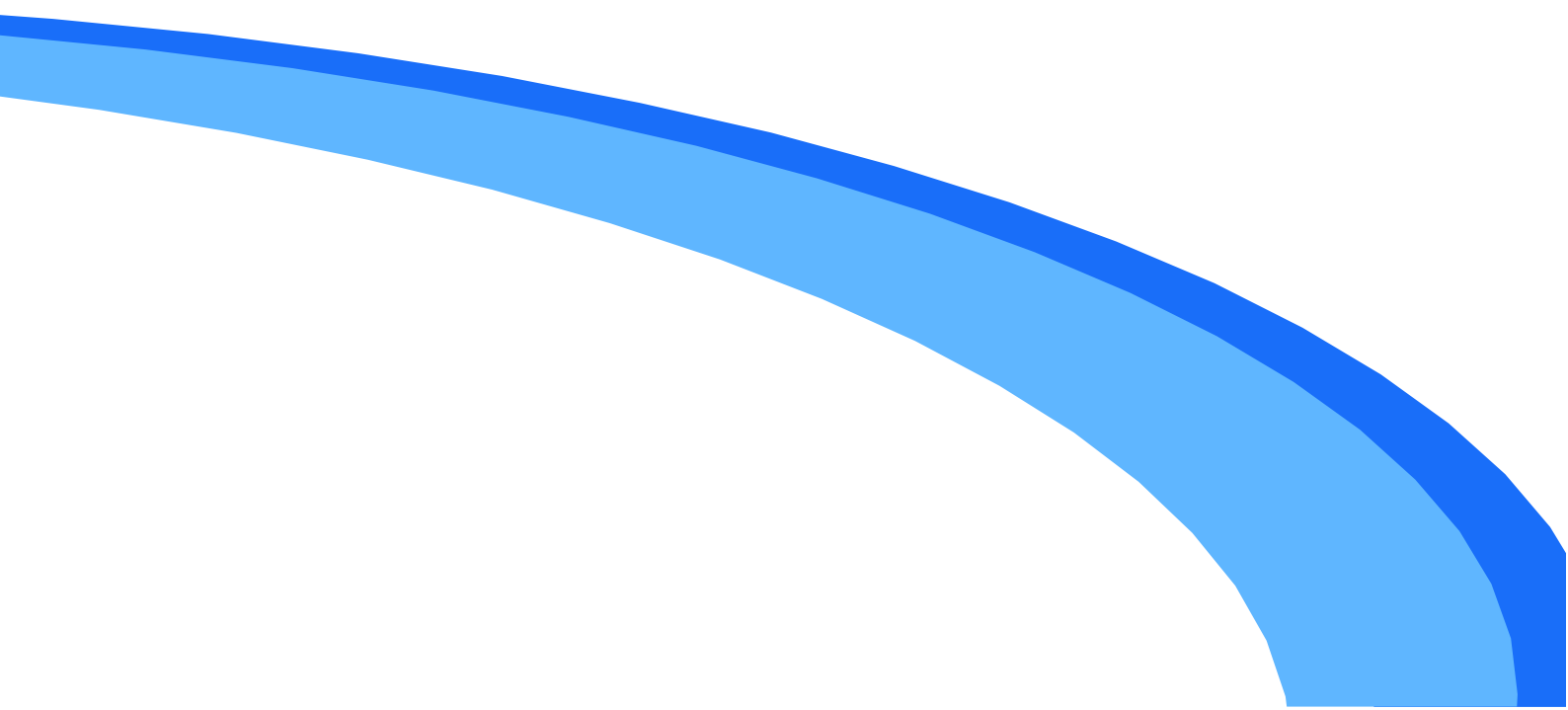


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Att. Appendix 1 – Amended Affordable Housing Needs Assessment Tables

Amended Affordable Housing Needs Assessment Tables

Appendix 1



Stage 1 Current unmet gross need for affordable housing				
Table 3.1 – Current Housing Need				
Element of housing need	Source	No. of households from original data source	Double counting adjustment	Revised number of households after double counting
Homeless households	As per the Council's Response MF08 Appendix 1	36	As per the Council's Response MF08 Appendix 1	36
Those in priority need who are currently housed in temporary accommodation	As per the Council's Response MF08 Appendix 1	62	As per the Council's Response MF08 Appendix 1	26
Overcrowded households	As per the Council's Response MF08 Appendix 1	1628	As per the Council's Response MF08 Appendix 1 - Double counting deductions: 323 concealed households. 619 households on the housing register.	686
Concealed households	As per the Council's Response MF08 Appendix 1	781	As per the Council's Response MF08 Appendix 1 - Of the 781 concealed families in the Borough in 2015, need to remove double counting with Housing Register – 427 households.	354
Other households in housing need	Council's Response MF08 para 23	7010	As per the Council's Response MF08 Appendix 1 - LESS homeless as above (36, less the net of those in temporary accommodation (26).	6948
Total				8050

Unsuitable housed households	8050
% unable to afford entry-level market housing (all unsuitably housed households)	64.2%
Households in current need	5168

Stage in Calculation		Source of Figure
Stage 1: Current unmet gross need for affordable housing (total)	5168	Table 3.2 above
Stage 2: Newly arising affordable housing need (Annual)	802	Table 3.8 MF08 Appendix 1 Scenario B
Stage 3: Current affordable housing supply (total)	2034	Table 3.9 MF08 Appendix 1 Scenario B
Stage 4: Future housing supply (annual)	525	Table 3.12 MF08 Appendix 1 Scenario B
Stage 5.1: Net current need (total)	3134	(Stage 1 – stage 3)
Stage 5.2: Annualised net current need (annual)	224	(stage 5.1/14)
Total gross annual need (annual)	1171	(stage 1/14 + stage 2)
Total gross annual need (supply)	670	(stage 3/14 + stage 4)
Total gross annual need for affordable housing (annual)	501	(Stage 2 + stage 5.2 – Stage 4)