

Home Builders Federation

Matter 2

ELMBRIDGE LOCAL PLAN EXAMINATION

Matter 2 The approach to housing need

Issue 4: Is the approach to calculating the level of housing need over the Plan period justified, effective and consistent with national policy?

1.1 In establishing the amount of housing to be planned for, paragraph 61 of the Framework advises that strategic policies should be informed by a local housing needs (LHN) assessment, conducted using the standard method unless exceptional circumstances justify an alternative approach. The Council has followed this guidance and calculated the LNH to be a figure of 647 dpa or 9705 dwellings over the Plan period. Are there any exceptional circumstances which would justify and alternative approach?

The HBF agree that at the time the local plan was prepared the LHN was 647. However, for the base period for assessing housing growth is taken from the point at which the plan is submitted, 2023, this increases to 650. This is an uncapped figure and whilst we do not contest the application of the cap it is important to note that uncapped need in the Borough is 930 dpa. As Planning Practice Guidance notes at paragraph 2a-007 the cap reduces the number generated by the standard method but does not reduce housing needs itself. Therefore, in considering whether the Council should seek to amend Green Belt boundaries the Council should take into account the uncapped need for housing in the Borough not just the capped level of need.

1.2 Paragraph 61 of the Framework goes on to states that in addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for. Has the Council done this?



Whilst the HBF note that consideration has been given to unmet needs in neighbouring Borough's it has to considered whether there are unmet needs in neighbouring areas. As we note in our representations there is an identified unmet need for housing in London and no mechanism to address this. Whilst this is a wider regional unmet need the GLA consider London to be a single housing market and as such it was necessary for the council to acknowledge this when preparing the local plan and in its consideration as to the spatial strategy. A shortfall in housing in London will increase demand for homes in areas adjoining the capital and should have been a key consideration as to whether a strategy that falls short of meeting its own needs was justified. The HBF could find no reference is made to the scale of unmet needs in the capital in the Duty to Co-operate Statement, Sustainability Appraisal, or the Topic Paper on how the spatial strategy was formed, in short it is a further indication that the decision not to meet housing needs lacked a robust consideration of the available evidence.

Q1.3 A number of the Statements of Common Ground (SoCG) with neighbouring authorities have raised concerns regarding the intensity of housing need within Elmbridge and its wider housing market area, and the implications of the spatial strategy adopted which may exacerbate unmet need across the areas and place additional pressures on other areas. Is this a legitimate concern and are these concerns supported by evidence?

Yes. If housing needs within one local authority or housing market are not met this will mean that those in housing needs within those areas will seek to have their needs met further afield. This means that those areas that have planned positively to meet housing needs will not see the full benefit of meeting those needs in terms of improving affordability as demand will continue to be well above the supply of homes coming forward each year. In addition, the Surrey, and indeed the wider South East, is impacted by London not meeting its own needs and falling short by some 140,000 homes between 2019 and 2029. As such the lack of supply in any one LPA will place pressure on all adjacent local authorities and housing markets. As for evidence the continued worsening of affordability seen across the South East is a clear indication that under supply is having a profound impact on many communities.

In order to start the process of stabilising house prices in this part of the country it is essential that supply is increased in all areas. If some areas fail to meet their own

needs, then the residents of those areas that have planned positively will not see the beneficial impact in terms of affordability that they would have had other areas also met their own needs in full. The HBF recognises that there are a wide range of variables that have led to house prices being significantly beyond many, and in particular younger households, it must be recognised that a lack of supply is a key factor in the situation we currently face as a nation. Unless supply is increased then there can be no expectation that affordability will improve over this plan period.

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