

Initial Issues of Concern to the Inspector: Council's response

Housing Needs

The three specific questions raised are each responded to in turn

1. *Could the Council explain the relationship between the figures referred to in para 4 above (i.e. the District Housing Requirement figures from the Strategic Housing Market Assessment and Housing Requirement for South Somerset and Yeovil reports) and those in updated para 4.85 of the Local Plan (i.e. the range of District Housing Projection totals within which the Council has determined its overall District provision figure of 15,950 dwellings)*

1.1 The Strategic Housing Market Assessment (Core Document no 46) considers longer term projections relating to future housing in chapter 16 and presents a 19,000 household growth 2006 – 2026 in table 16.4 which equates to 950 dw pa. This growth rate is repeated on p 290 in chapter 26 of the report and in table 28.1 where the growth rate is compared with that in the then draft Regional Spatial Strategy for the South West 2006 – 2026. The 950 dw rate is however based on Department of Communities and Local Government household growth projections published in 2007 with a 2004 base date. This projection is considered dated and not for application to the provision of housing growth and superceded by the projection set out in the Consultant's report Housing Requirement for South Somerset and Yeovil (Core Document no 30) which uses the 2008 based household projections published in 2010. This Consultant's projection itself is superceded by further work on the projections set out in the Housing Topic Paper (Core Document no 14 paras 4.13 – 4.19) that show two updates on population projections and a number of modifications to the projection methodology that result in the range of projections set out in updated para 4.85. The projections set out in updated para 4.85 are more up to date and based on the Consultant's methodology as improved by the Council in several regards as set out in the Housing Topic Paper. The choice of 15,950 dw from within the range of figures presented in updated para 4.85 is explained in the amended text supporting updated policy SS4 (Core Document no 13 Appendix 1 Annex 1)

1.2 The Taunton and South Somerset Housing Market Areas Strategic Housing Market Assessment Monitoring and Update report set out in Core Document no 117 addresses these matters in paras 6.20 – 6.26 and shows that whilst the Strategic Housing Market Assessment is based on older projections the population growth it predicts for South Somerset is broadly in line with that from the Housing Requirement for South Somerset Report and from the Council's updated projections.

1.3 The Council is awaiting new Government Household Projections. Household and population information emerging from the 2011 Census publications released to date indicate differing occupancy rates to those presumed in the household projections published in 2010 suggesting a stronger emphasis be given to the household growth figures in updated para 4.85 of the Local Plan deriving from population and economic projections in the determination of the actual housing provision figure from the range presented. This is explained in the supporting text to amended policy SS4.

2. *Could the Council provide the justification for deciding to base the housing figure of 15,950 dw on the midpoint of the two economic projections bearing in mind one of the council's strategic objectives is to achieve a comprehensive high performing economy*

2.1 The Project Management Board considered a Housing Provision Review paper at its workshop 19 meeting (Core Document no 117) which set out for the first time (on p 10 of the report) the proposal that an additional economic projection figure at the midpoint between the Slow Faltering Growth and Positive Private Sector led growth projections of the Housing Requirement in South Somerset and Yeovil report (as modified) be applied. The justification for this was

“the on-going nature of the recession and to take on board the implications of the sustainability appraisal work and the likely market delivery of dwellings.”

2.2 The Housing Provision Review was endorsed by the Board and then fed into the emerging report to Full Council on 17th January 2013 – Amendments to the Proposed Submission Local Plan and Submission for Examination that was considered through Project Management Board Workshops 21 – 23 where it was broadly endorsed.

2.3 The key nature of this change in position was reconsidered by the Board at its workshop 22 meeting (Core Document no 117) where the continuing recession was confirmed as a reason to adopt the more cautious approach and

“uncertainty albeit in the light of recent job growth”

was also referred to.

2.4 The justification for the midpoint of the economic projections being applied is summarised in the updated para 4.89 of the Local Plan and para 4.94 and 4.95 in relation to issues of delivery and sustainability as shown in the amended text supporting updated policy SS4 (Core Document no 13 Appendix 1 Annex 1)

2.5 The economic forecast of the Office for Budget Responsibility (OBR) shows 2012 to have been one of negative growth (-0.1% of GDP) and forecasts growth of 1.2% of GDP for 2013 (with 2.0% for 2014 and 2.3%, 2.7% and 2.8% for subsequent years). The average of 39 other economic forecasters for 2013 is 0.9% with 29 of the 39 forecasts being lower than the OBR. Confirmation that 2012 has been another year of recession and slow growth for 2013 and the recent regularity of forecast revision downwards supports the cautious approach now adopted by the Council.

2.6 The Council is committed to a comprehensive high performing economy. There is not seen to be any conflict with this objective by the Council taking account of the impact of the deepest and longest recession since the second world war and projecting a level of future housing provision that meets the needs of the job growth considered likely and realistic at this time looking back to the first 7 years of the Plan period and looking forward with some marked degree of uncertainty.

2.7 Finally, the market capacity for housing delivery and the sustainability appraisal point to the provision figure that the Council now propose at 15,950 dwellings. These arguments are presented more fully in response to question 7 below (paras 7.6 and 7.7). The Housing Trajectory points to 15,950 dw being a deliverable figure. The annual house building rate for the District for the period 2017 – 2028 (beyond the known provision to 2012 and expected provision for 2012 – 2017 expressed through the Council's 5 year land supply and set out in the Trajectory) becomes unreasonably and undeliverably high to achieve a District requirement significantly in excess of this total. The main conclusion on overall housing growth from the Sustainability Appraisals that 16,000 – 16,600 dw District housing provision performs best in sustainability terms supports the housing provision figure now put forward by the Council.

3. *Could the Council explain why it has disregarded a figure based on household projections (i.e. 17,000 dwellings) , bearing in mind this would have reflected the positive economic growth scenario (i.e. 17,650 dwellings)*

3.1 This question has been answered rather indirectly in the two responses above. In direct response the figure has been accorded less weight than the others set out in updated Para 4.85 because it is based on increasingly dated information which is due to be updated and which is called into question by the release of census 2011 data for South Somerset showing occupancy rates at 2011 not directly matching those presumed within the household projection. The economic scenario adopted by the Council is considered to remain aspirational but be realistic in the context of the on-going recession and has been the prime influence on the housing provision choice. Delivery and sustainability assessments indicate the 17,000 dw provision figure to be more problematic than the one chosen by the Council (see paras 7.6 and 7.7 below).

Sustainability Appraisal and consideration of options

The two specific questions are each responded to in turn

4. *On what basis were the 4 areas of land selected (as the multi-site option for development around Yeovil)*

4.1 The consideration of options for the location of an urban extension to Yeovil has been an iterative process that began at an early stage of plan-making. The 4 areas of land were selected on the basis of the constraints mapping exercise that informed the consideration of options in the Sustainability Appraisal (SA), as set out in Appendix 5 of the SA report (Core Document no 16 a-c). Section 4 of Appendix 5A specifically outlines the constraints mapping exercise, which explains that this process identified development issues and site constraints on land all around Yeovil in order to inform the SA. Using this information, a range of options for locating the urban extension were considered in preparing the plan. This resulted in the 4 parcels of land incorporating the 'multi-site' option as these had the fewest constraints and evidence of potential deliverability, consistent with the outline of the reasons for selecting the options set out in section 5.2 of the SA report. In addition, the SA report (para 5.5.12) explains that the 'north west' option was reconsidered due to the large number of comments proposing this during preferred options consultation. The constraints mapping process and resultant options are explained in further detail in the 'Yeovil urban extension – discussion paper' that was considered at Project Management Board Workshop 3 (Core Document 115).

5. *Whether there are other smaller areas that could have been considered as part of a "package" and if so why have they been discounted*

5.1 The strategic scale of the urban extension and the intention to deliver a 'sustainable' community required 'economies of scale' to ensure a range of community facilities, services, shops, jobs, sustainable transport measures, and opportunities for decentralised and low carbon energy could be provided on-site. These benefits are stated in paras 5.4.17 and 5.5.12/13 of the SA report, and Appendix 5 (Submitted Document no 16 a-c). This meant that other smaller areas

were not considered as a 'reasonable alternative' as set out in the outline of the reasons for selecting the options set out in section 5.2 of the SA report. The consideration of a finer grained multi-site option would not necessarily have added benefit to the sustainability appraisal of a multi-site development option viz a viz either of the single site "sustainable community" options appraised.

5.2 The aspiration to create sustainable communities is consistent with national policy and the vision and objectives of the Local Plan. Of course, smaller areas may come forward in due course through the development management process or in the forthcoming Site Allocations Development Plan Document. Even if smaller sites were to be considered, the constraints mapping process highlighted above indicates that there are few smaller sites that could be brought forward in areas free of constraint and abutting the Yeovil urban area.

6. *With Sustainability Appraisal for options for growth around market towns has consideration been given to the potential for a more scattered approach (i.e. for smaller areas to be identified that may not necessarily reflect one direction of growth*

6.1 There are several reasons why a more scattered approach at the market towns has not been considered. Firstly, the aspiration to create 'sustainable' communities, as highlighted in the response above, meant that the 'directions of growth' were intended to provide for all greenfield development at the market towns, thereby best achieving the 'economies of scale' associated with concentrating development. This approach enhances sustainability by providing the best opportunity to provide community facilities, services, shops, jobs and sustainable travel measures, consistent with national policy and the Local Plan vision and objectives, as set out in the outline of the reasons for selecting the options set out in section 5.2 of the SA report. The SA report outlines the reasons for selecting the growth options at the market towns in paras 5.4.19 – 5.4.30 (Core Document no16 a-c).

6.2 Also, for most market towns the residual development required in the Local Plan is relatively low, meaning there is little capacity to identify smaller areas outside the 'directions of growth', particularly given the intention to create sustainable communities as highlighted above. The National Planning Policy Framework makes clear in para 157 that Local Plans should

"indicate broad locations for strategic development on a key diagram and land use designations on a proposals map" and

"allocate sites to promote development and flexible use of land, bringing forward new land where necessary, and provide detail on form, scale, access and quantum of development where appropriate"

6.3 The Council consider the former to be the prime function of the South Somerset local plan whilst the latter to be the function of the site allocations development plan document identified in the Local Development scheme (Core document no 27) and referred to in a proposed amendment to the Proposed Submission Local Plan (Core Document No 13 appendix 1).

6.4 The exceptions to this general position are Chard, where more detailed work on has been carried as part of the Chard Regeneration Framework meaning that specific sites have been considered and allocated (explained in the SA report para 5.4.20); and Crewkerne where the residual housing and employment land required is

not sufficient to warrant a 'direction of growth' (SA report, para 5.4.19). The policy approach to not provide additional housing growth to Wincanton beyond current commitments precludes the need for appraisal of alternative sites.

6.5 The Local Plan's concern with the 'strategic' growth of the district means that smaller areas of land may be considered through the forthcoming Site Allocations Development Plan Document, and also through the development management process, but given the parameters of the Local Plan it is not appropriate to consider smaller areas of development.

Employment Provision

The question to address here is considered to be

7. *Why does the 22% increase in job provision from Proposed Submission Plan to Proposed Amendment to the Proposed Submission South Somerset Local Plan not elicit a commensurate change to the District's Housing provision of 15.950 dw. What are the implications of the change to the job figures and how would the Council seek to address implications in a fair way.*

7.1 There are two methodological reasons why the increase in job provision should not result in an increase in housing requirement, one reason relating to the provision of housing for service personnel, one relating to delivery matters and finally a sustainability argument why there should not be a commensurate increase.

7.2 The increase in jobs from the Proposed Submission Local Plan can largely be accounted for by the fact that the method employed looks to project from 2011 (previously 2010) and take into account actual job growth from 2006 to 2011 (previously 2010 due to data availability at that time). In the Proposed Submission Local Plan the 2010 base date showed a 3,400 drop in jobs since 2006, the Local plan base date whereas the Proposed Amendments to the Proposed Submission Local Plan are based on updated information to 2011 which shows a complete "bounce back" of provision with 3,600 jobs being provided in that year. The growth in jobs from 9,200 to 13,400 for the Plan period in the Positive Private Sector Growth scenario as shown in table 2 in the updated supporting text to the amended policy SS4 (Core Document no 13 Appendix 1 Annex 1) is largely accounted for therefore by the change in base date. The 13,400 job growth figure results in the finally proposed 11,250 dw figure after consideration of the Slow Faltering Recovery job growth scenario and the assumption that a mid-point of job growth is appropriate.

7.3 The growth in jobs from 2010-2011 should not result in a commensurate increase in housing as these job holders are already housed. The annual job creation deriving from the Consultant's work in the Housing Requirement for South Somerset and Yeovil Report is unchanged at 637 jobs pa and 387 jobs p.a. for each year beyond the base date to 2026 (which the Council have extended to 2028) for the two scenarios prepared. These future job growth projections underpin both the proposed Submission Local Plan and the Proposed Amendments to it.

7.4 The second methodological reason why the increase in job provision should not result in an increase in housing provision relates to the introduction to the methodology of consideration for "double jobbers". This is explained in the Housing Topic Paper (Core Document No 14) and occurred after publication of the Proposed Submission South Somerset local Plan as an improvement to the methodology. A 5% allowance has been made to account for the fact that some of the future job growth will be taken up by people with two jobs who only need one home. Some 550

jobs and therefore houses will be occupied by double jobbers meaning 550 less dwellings to provide.

7.5 The 300 dw provision for service personnel living in private accommodation outside the Yeovilton base is an absolute number outside the job growth totals and so does not increase as the potential number of jobs has increased from the Proposed Submission South Somerset Local Plan.

7.6 The Housing Trajectory presents an indication that the 15,950 dw provision is appropriate and deliverable after taking into account completions to 2012 and the Council's assessment of its 5 year land supply from now to 2017. The Council have undertaken an exercise to then consider the best 5 years net housing growth rates in the last 20 to establish that such a heightened District build rate of 843 dw pa would yield 16,802 dw over the Plan period overall. (the figure of 16,654 dw in Core Document no 13 appendix 1 annex 1 para 4.94 is an error based on an earlier housing trajectory). This scale of growth is considered aspirational and realistic in that it takes into account known information up to 2017 i.e. half way through the Plan period. Provision beyond the 15,950 dw figure or thereabouts is considered unrealistic on the basis of this evidence. Should the 22% job increase be matched by District housing provision levels a housing requirement of 19,459 dw would ensue. This would require a post 2017 growth figure of 1085 dw pa. This figure has not been achieved since the 1991 date for Council records and represents a year on year level of growth 29% more than the best 5 years growth in the last 20.

7.7 The Sustainability Appraisal Report (Core Document no 16) has addressed the overall scale of housing growth and in particular at the Issues and options report stage it addressed the options of growth at 13,600 dw, 16,600 dw and 19,700 dw and growth in excess of 19,700. This is also referred to in the Housing Topic Paper (Core Document no14) in paras 4.16 – 4.18. A 22% increase in housing provision would result in a housing requirement of 19,459dw. This level of growth has been appraised as part of the formal Sustainability Appraisal and found to be less appropriate than a level of provision around 16,000 – 16,700 dw with which the Council's final choice of 15,950 broadly complies.

7.8 The Council is aware that the Local Plan provides for housing in excess of the plan period figure for the Sustainable Yeovil Urban Extension and the strategic housing allocation for Chard. The post plan housing identified for these settlements provides a flexible potential reserve of additional planned housing provision should the market capacity to build have been underestimated in any major way

7.9 The Council's view is that there is no valid argument to change the District Housing Provision to reflect an increase in job growth in the Council's Proposed Amendments to the Proposed Submission South Somerset Local Plan from that in the Proposed Submission Local Plan because there are methodological reasons why the housing provision figure should not be increased as well as delivery and sustainability arguments. In consequence the Council consider that there is no need to address the final part of the Inspector's question.

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