

SLOUGH BOROUGH COUNCIL

REPORT TO: Planning Committee **DATE:** 6th December 2017

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WARD(S): ALL

PART I

FOR DECISION

RESPONSE TO THE AYLESBURY VALE AND WYCOMBE LOCAL PLANS CONSULTATION

1. **Purpose of Report**

The purpose of this report is to obtain Member's views on the Submission Versions of the Vale of Aylesbury and Wycombe Local Plans.

2. **Recommendation(s)**

That Committee is requested to resolve:

- a) That an objection should be made to the submission version of the Vale of Aylesbury Local Plan on the grounds that it is not reasonable or sustainable to plan to import housing into Aylesbury from the part of South Bucks District that is not within the same functional Housing Market Area.
- b) No objections should be made to the submission version of the Wycombe Local Plan.

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

3a. **Slough Joint Wellbeing Strategy Priorities**

Ensuring that local needs are met within Local Plans will have an impact upon the following SJWS priorities:

4. Housing

3b. **Five Year Plan Outcomes**

Ensuring that Local Plans meet local housing needs will contribute to the following Outcomes:

- *Our residents will have access to good quality homes.*

4. **Other Implications**

(a) Financial

There are no financial implications.

(b) Risk Management

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
That the Committee responds to the proposals in the Local Plans of nearby Authorities.	Failure to respond could affect the ability to meet housing needs within the wider area.	Agree the recommendations.

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act Implications as a result of this report.

(d) Equalities Impact Assessment

There are no equality impact issues

5. **Supporting Information**

Introduction

- 5.1 In addition to reviewing the Local Plan for Slough it is important that this Council cooperates with, and comments upon, the Local Plans being produced by other authorities. Whilst the main focus of this work is with the authorities within the same Housing Market Area, proposals by other Councils can have an impact upon Slough.
- 5.2 Aylesbury have produced the submission version of the Vale of Aylesbury Local Plan (2013 – 2033) which is the subject of public consultation until 14th December.
- 5.3 Wycombe have also produced a submission version of their Local Plan (2013 - 2033) which is the subject of consultation until 27th November.
- 5.4 These have implications for Slough because of the proposal in the Aylesbury Plan to import housing from Wycombe, Chiltern and South Bucks Districts.

Vale of Aylesbury Local Plan

- 5.5 The Vale of Aylesbury Local Plan seeks to promote a significant amount of growth over the plan period.
- 5.6 It is proposing to build 27,400 dwellings a year between 2013 and 2033 at an average of 1,370 a year. This is an ambitious target considering Aylesbury has built an average of 1,127 a year over the last five years and a higher growth rate will have to be sustained over a long period.
- 5.7 In order to test the proposed building rate the Bucks authorities commissioned Wessex Economics to produce a “Housing Delivery Study for Buckinghamshire”. This concluded that the delivery of the emerging Plan numbers will be challenging particularly since the appetite for private sector developers to build at this scale in

one location is largely untested. As a result it suggested that housing delivery will require public sector involvement.

- 5.8 It should also be noted that the ability of Aylesbury to deliver such growth could also be affected by recent proposals to continue to expand the Milton Keynes area.
- 5.9 The Local Plan's housing target is made up from the amount of housing required to meet Aylesbury's needs plus some additional housing to meet un-met needs from elsewhere in Buckinghamshire.
- 5.10 The Housing and Economic Needs Assessment (HEDNA) concluded that 19,400 new house were needed over the plan period (2013–2033) in order to meet Aylesbury Vale's needs. This would result in an annual average of 970 a year.
- 5.11 The Plan then proposes that Aylesbury Vale should accommodate the unmet need of 2,250 dwellings from Wycombe and 5,750 from Chiltern and /South Bucks.
- 5.12 This reflects the Local Plan Objective which states "Provision will be made for the housing and employment needs of the new and existing population, including unmet needs from elsewhere if reasonable and sustainable....."
- 5.13 Whilst it is appropriate to seek to meet unmet needs from elsewhere in the same "functional" Housing Market Area (HMA), it is not considered "reasonable" or "sustainable" to plan to import housing from outside of this. As a result it is considered that an objection should be made to the proposal in the Aylesbury Plan which seeks to import housing from the part of South Bucks District that is outside of the same "functional" Housing Market Area. More explanation of functional HMAs in the area is set out below.
- 5.14 The Plan states that it has been prepared on the basis of a joint report which identified a "best fit" Housing Market Area which consists of Aylesbury Vale, Wycombe, Chiltern and South Bucks. What it does not explain is that this has been produced by using "Plan making" areas as the basis for determining the "best fit". The evidence from the joint report shows that if considered on a "functional" basis two thirds of South Bucks District is not in the same HMA as Aylesbury. If judged upon a "best fit" to Local Authority boundaries basis the whole of South Bucks is in a different Housing Market Area. This was the original recommendation of the consultants employed by the Buckinghamshire Councils.
- 5.15 In March 2015, "*Identifying HMAs and FEMAs in Buckinghamshire and the surrounding area (March 2015)*"¹ was published for the Buckinghamshire authorities by ORS Atkins. It recommended a Central Buckinghamshire HMA comprising Aylesbury Vale, Chiltern and Wycombe Districts, and that South Bucks District should be considered part of a Reading and Slough HMA comprising of South Bucks District Council and the Berkshire authorities. The March 2015 study predates the decision by South Bucks District Council and Chiltern District Council to prepare a joint Local Plan.
- 5.16 In June 2016, following the decision to prepare a joint Local Plan, South Bucks and Chiltern District Councils published "*HMAs and FEMAs in Buckinghamshire: Updating the evidence*"² which had been prepared by ORS Atkins.

¹<http://www.chiltern.gov.uk/CHttpHandler.ashx?id=6775&p=0>

²<http://www.chiltern.gov.uk/planning/localplan2014-2036/evidence>

5.17 This study concluded:

“we would continue to recommend to the Buckinghamshire councils that the most pragmatically appropriate “best fit” for the Central Buckinghamshire housing market area based on Local Plan areas comprises Aylesbury Vale district, Wycombe district and the combined area of Chiltern and South Bucks districts [...] these “best fit” groupings do not change the actual geography of the functional housing market areas that have been identified – they simply provide a pragmatic arrangement for the purposes of establishing the evidence required ...” (para 36-37, p10).

5.18 It goes on to note:

“Whilst we believe that this proposed grouping for Central Buckinghamshire HMA provides the overall “best fit” for joint working (based on a Joint Plan being developed for Chiltern and South Bucks), it is not the only arrangement possible given the complexities of the functional housing market areas in the region. Regardless of the final groupings, the more important issue will be the need for all of the Buckinghamshire districts to maintain dialogue with each other and also with their neighbouring authorities, as well as with the Mayor of London through the Greater London Authority” (para 38, p10).

5.19 These “pragmatic” reasons mainly relate to evidence gathering and policy making. They do not apply to consideration as to where un-met housing needs should be met. The recent decision by the Inspector for the Luton Local Plan makes it clear that the “functional” Housing Market should be used for determining where the unmet housing needs from Luton should be accommodated.

5.20 As a result it is considered that the technical basis for the Vale of Aylesbury Plan is unsound in so far that it does not recognise the importance of using the “functional” Housing Market Area as the basis for deciding the extent to which it should accommodate un met housing need outside of this area.

5.21 It is considered that housing needs should be met as close as they can to where they arise. Failure to do so can result in unsustainable forms of development and an increase in housing stress in the area where development does not take place.

5.22 Before deciding to import housing from outside of the “functional” housing market area it is considered that the Aylesbury Local Plan should have rigorously scrutinised whether the housing could be built in the area where it is needed, whether the proposed housing could be required to meet other needs, whether the proposed additional housing is deliverable, whether it results in a sustainable form of development and what the effect will be of not building houses where they are needed.

5.23 Paragraph 182 of the NPPF which sets out the tests of soundness for examining Local Plans states that they should seek to meet unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development. It is not considered reasonable or sustainable to seek to meet all of the unmet needs from South Bucks District for the following reasons.

- 5.24 Firstly it is not considered that the Plan has justified why it accepts the results of the “comprehensive capacity assessments” which have been carried out by Chiltern/South Bucks as demonstrating that they cannot accommodate all of their housing needs in their own districts.
- 5.25 Chiltern and South Bucks have recognised that there are the necessary “exceptional circumstances” to release Green Belt land for housing and so the principle of building houses in the Green Belt has been agreed. They have, however, decided that there is a limit to how much Green Belt land can be developed. This Council has criticised the capacity work produced by Chiltern/South Bucks Councils on the basis that it is based upon a flawed “bottom up” assessment of Green Belt sites ” which has produced some arbitrary results.
- 5.26 The capacity assessment has been based upon narrow Green Belt factors without taking into account wider strategic sustainability issues and has not recognised Slough as part of the settlement hierarchy where development should be focused. As a result the need for Aylesbury Plan to take 5,750 of the houses required to be met in Chiltern and South Bucks has not been justified.
- 5.27 Secondly the Plan has not justified why it is proposing to meet the whole of the unmet needs from South Bucks when it is not an adjoining authority and the majority of it is not within the same “functional” Housing market area . The use of the “best fit” Housing Market Area, instead of the “functional” one, means that the Local Plan has wrongly given priority to meeting housing needs from parts of South Bucks without giving proper consideration to whether Aylesbury would be better suited to accommodating unmet housing need from elsewhere. For example there is a proven unmet need for 9,300 houses from Luton and a small part of Aylesbury Vale is within the same “functional” Housing Market as Luton.
- 5.28 Thirdly the Plan should not propose to import housing from south Buckinghamshire unless it is deliverable. Failure to do so would result in an under supply of housing which could have been addressed in other Local plans. As explained above there are serious questions as to whether the proposed building rate can be delivered in the long term. If it is to be achieved it will require major public and private investment being diverted to the north of Buckinghamshire in order to provide what will be predominantly greenfield development in an area which is already meeting its local housing needs. As a result it is not considered that the importation of all of South Buck’s unmet housing need is an effective strategy.
- 5.29 Fourthly the proposal in the Aylesbury Plan to import housing from southern Buckinghamshire to Aylesbury has not taken account of the adverse effects that this will have upon the local housing market which is deprived of new housing. South Bucks District is already one of the least affordable areas in the country. Failure to build the required houses in this area will make affordability even worse. It will also restrict the supply of affordable housing in the area and result in people having to move long distances, in some cases outside of the functional Housing Market Area, in order to find suitable housing. This could result in unsustainable commuting patterns as in practise the major employment in the area is London, Slough, and Heathrow.
- 5.30 As a result it is considered that an objection should be raised the proposal within the Vale of Aylesbury Local Plan to meet all of South Buck’s unmet housing need on the basis that it is unsound.

5.31 It is not, however, suggested that the overall housing target should be reduced even though it is very ambitious. This is because the Council does not want to restrict new housing coming forward if it is deliverable. It is also because it is likely that all of the houses proposed in the Local Plan will actually be required to meet Aylesbury's needs. This is because the way in which housing needs are calculated in future are likely to change as explained below.

New Standard Methodology for Calculating Objectively Assessed housing Needs

5.32 There is no standard method for calculating what each Council's Objectively Assessed Housing Needs should be. As a result a lot of money is spent employing consultants to devise, and then consult upon, what they consider to be the best methodology. This is then the subject of a great deal of debate at Local Plan Inquiries.

5.33 The Government has recently produced a consultation document "Planning for homes in the right places" which proposes that there should be a standard method for calculating Objectively Assessed Housing Needs. This emphasises the need to deal with the problem of the lack of affordability in some areas as well as meeting household projections.

5.34 Under the proposed transitional arrangements this new method will not apply to the Vale of Aylesbury Plan, provided it is submitted before April 2018. It will therefore be allowed to be considered on the existing basis. It will also not apply to the Wycombe Plan on the same basis. If, however, the new standard methodology is adopted, it would have significant implications for the Chiltern/South Bucks Local Plan which will have to be prepared under the new system.

5.35 This is because the indicative figures produced by the Government show that Aylesbury Vale's objectively assessed need would be increased from 970 a year to 1,499. This would mean that if the proposed new system was applied to Aylesbury it would have to plan for around 27,800 houses. This would mean that all of the 27,400 which is currently being planned for would be required to meet Aylesbury's needs and there would be no scope for accommodating the 8,000 unmet need from Wycombe, Chiltern and South Bucks.

5.36 At the same time, if the proposed new methodology is adopted, the actual need in these three Districts would increase by around 225 a year. This would mean that there would be an additional need for around 4,000 houses in these Districts during the Local Plan periods.

5.37 As explained above, it is not considered that this is a reason for objecting to the Aylesbury Vale Plan, which will be providing the right amount of housing to meet its needs. It is, however, important that it is understood that the assumptions within the Plan about meeting unmet need from other Districts will no longer be valid if the new draft standardised method for calculating housing needs is adopted.

5.38 This means that the current strategy in the Chiltern/South Bucks Local Plan will have to be reassessed in order to address the issue of there being a potential significant shortfall of housing within the Plan area which cannot be met in Aylesbury.

- 5.39 Although the same will apply to the Wycombe Local Plan, this will be allowed to go ahead in its current form under the proposed transitional arrangements. There may, however, have to be an early review of the Plan to deal with any under provision of houses using the Government's new methodology.
- 5.40 It should be noted that the proposed new method for calculating Objectively Assessed Housing Needs would not have any significant impact for Slough in there would only be a marginal reduction from 927 a year to 912 a year. The requirement for Windsor and Maidenhead would increase from 712 a year to 778 a year but the plan will be able to proceed with the current numbers under the existing arrangements assuming it is submitted before April.
- 5.41 A full explanation of the implications of the implications of the Government's proposals will be reported to Members once the new methodology comes into force. The emphasis that it is putting upon tackling the lack of supply in some areas in order to make housing more affordable means that more housing is likely to be required in the South Bucks, Slough and Windsor & Maidenhead functional Housing Market Area.

Wycombe Local Plan

- 5.42 The Wycombe Local Plan is also out for public consultation and, as explained above, will not be considered against the proposed new housing numbers provided it is submitted before April. The plan has been prepared on the basis that 71% of its area is in the Chilterns Area of Outstanding natural Beauty and 48% within the Green Belt. There is only a small area of undeveloped land that is not within either of these designations.
- 5.43 The Objectively Assessed Housing Need is currently calculated as requiring an additional 13,200 houses by 2033. Because of the constraints that have been identified, the plan proposes to build 10,925 of these with the remaining 2,250 being built in Aylesbury Vale. This will, however, still result in an increase in the annual target from 400 a year to 550 a year.
- 5.44 There will be a limited amount of development in the Green Belt where 1,139 dwellings will be built. Some of the proposed 21 hectares of new employment land will be in the Green Belt. Half of the new housing will be built on brownfield sites predominantly in High Wycombe.
- 5.45 Although, as explained above, this Council has concerns about neighbouring authorities exporting housing to Aylesbury it is not considered that the proposals in the Wycombe Local Plan will have serious implications for Slough. This is because the Plan clearly demonstrates that Wycombe is in a separate "functional" Housing Market Area and Functional Economic Market to Slough. It uses the results of the ORS study to show that it is in the same functional area as Chiltern, the northern third of South Bucks and southern half of Aylesbury Vale.
- 5.46 This means that the principle of exporting 2,250 houses from Wycombe to Aylesbury is appropriate because they are both in the same "functional" Housing Market Area. In addition Wycombe has equivalent affordability as Slough within its housing market area, so is unlikely to increase affordability issues in Slough.
- 5.47 As explained above the government's proposal to introduce a new standard methodology for calculating Objectively Assessed Needs will have implications for

Wycombe. Firstly it could mean that Aylesbury Vale no longer has any spare capacity to accommodate any unmet need from elsewhere in that the new forecasts show that all of its proposed housing will be required to meet its own needs.

- 5.48 It is not possible to object to either the Wycombe or Aylesbury plans on this basis because the Government's proposing transitional arrangements allows them to be examined on the basis of existing assessment of housing needs. Nevertheless it is a factor that will have to be taken into account.
- 5.49 It should be noted that the proposed new method for calculating housing need would result in Wycombe's target going up from 641 a year to 792 a year which is an annual of 150 a year and 240 a year more than the Local Plan is proposing to build. This means that there may have to be an early review of the Wycombe Local Plan.
- 5.50 It is not proposed that this Council should raise any objections to the Wycombe Local Plan and as a result we should be able to sign a Memorandum of Understanding which sets out the areas of agreement between the two Councils which will include an agreement that neither Council is able to take any of the others un- met needs.

6. **Conclusion**

- 6.1 It is recommended that an objection is raised to the element of the Vale of Aylesbury Local Plan which proposed to accommodate all of the unmet housing needs from South Bucks. It is not considered a reasonable or sustainable strategy to import housing from outside of the "functional" Housing Market Area.
- 6.2 No objections are raised to the Wycombe Local Plan with regards the proposal to meet some of its unmet housing needs in Aylesbury because both Districts are within the same "functional" Housing market Area and so it will be reasonable to do so. An early review of the Wycombe Plan may be necessary if the method for calculating of housing needs is changed as suggest by the Government.

7. **Background Papers**

'1' - Vale of Aylesbury Local Plan (2013 – 2033) Submission Version

'2' – Wycombe Local Plan (2013 – 2033) Submission Version

'3' – Planning for the right homes in the right places: consultation Proposals - DCLG

8. **Appendices**

None.