

**EXAMINATION OF THE STROUD DISTRICT LOCAL
PLAN REVIEW**

INSPECTORS' MATTERS, ISSUES AND QUESTIONS

MATTER 3:

Housing need and requirement

On behalf of: Robert Hitchins Ltd

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Pegasus is instructed by Robert Hitchins Ltd to submit a Statement in respect of Matter 3, pursuant to the Matters and Questions identified by the Examination Inspectors.

Separately additional Statements have been submitted in respect of the following Matters:

- Matter 1
- Matter 2
- Matter 3
- Matter 6
- Matter 6a
- Matter 6c
- Matter 6d
- Matter 6g
- Matter 7
 - Matter 7a
 - Matter 7b
 - Matter 7c
- Matter 8
- Matter 10
 - Matter 10a
 - Matter 10c
 - Matter 10d
- Matter 11
 - Matter 11a
 - Matter 11b
 - Matter 11c

Following the submission of the Reg 19 representations in July 2021 Pegasus along with PFA Consulting and Pioneer Housing and Development Consultants have also responded to the Stroud District Local Plan Review Additional Technical Evidence in October 2022.

The Hearing Statements should be read alongside our representations and supporting evidence. As instructed, we have not repeated our representations of July 2021 or October 2022; but instead sort to highlight the salient points in response to the MIQs and indicated what changes we consider necessary in order for the Plan to be found sound.



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3. MATTER 3 – HOUSING NEED AND REQUIREMENT

(Please note that housing needs for specific groups in the community (including older people and gypsies, travellers and travelling showpeople), and questions relating to affordable housing and overall housing supply and provision (including site allocations and delivery), are set out under later matters)

3.1 Issue 3 – Is the identified housing need supported by robust and credible evidence, justified and consistent with national policy? Is the Plan’s housing requirement of at least 12,600 dwellings justified and consistent with national policy? Is the Plan’s approach to addressing some unmet housing needs for Gloucester soundly based?

- 3.1 EB8 October 2021 explains how the Council has objectively assessed its housing needs and demonstrates how the supply of sites will meet the needs. However, at the time of writing an up to date detailed housing trajectory has not been produced.
- 3.2 It is noted at para 1.5 of EB8 that the LHNA (EB10) considers that there will be sufficient resident workers to align with the jobs growth forecast and therefore no economic justification for increasing the LHN figure above the minimum figure identified by the standard method.
- 3.3 Paragraph 1.6 of EB8 concludes that there is no need to increase the LHN figure for affordable housing provision as it already incorporates a significant uplift beyond the household projection – based housing need. However, see comments below on housing requirement (question 11).
- 3.4 The housing need is consistent with national policy based on the Standard Method. We support the housing requirement of at least 12,600, i.e., at least 630 dwellings per annum. We note that this is a 40% increase from the adopted Local Plan, however, in recent years the number of homes delivered has exceeded the number of homes required by 161% (Housing Delivery Test 2021 – published January 2022). The Housing Delivery Test 2020 was 130%. However, the first Housing Delivery Test (HDT) results for Stroud, published in February 2019, showed an HDT measurement of 94%, based on housing completions for the three year period from 01 April 2015 to 31 March 2018, this resulted in the need to prepare an Action Plan to reduce the risk of future under-delivery.
- 3.5 Our objections to the plan are in respect of how the housing requirement for 2020–2040 is delivered in the plan period given the reliance on two new settlements which are for a number of reasons challenging in terms of their delivery e.g., in respect of Sharpness, an unsustainable location and all the transport matters and in respect of Wisloe, no developer interest. Our response to these points is set out in response to other MIQs.
- 3.6 The extent of the unmet needs of Gloucester should be clarified by the local authority – see question 9 below.

Housing need

The housing need for the District has been established through the Gloucestershire Local Housing Needs Assessment 2020 (LHNA) (EB10) using the standard methodology, as defined in national planning policy and guidance. This sets a baseline of 496 dwellings per annum (dpa) which, when



adjusted to take account of affordability, results in an uncapped minimum local housing need of 652 dpa (13,040 dwellings over the plan period).

As identified in the LHNA, once the standard method cap is applied, the minimum number generated reduces to 638 dpa (at least 12,800 dwellings over the 20 year plan period).

The Plan states that the capped standard method figure is a minimum of 630 dpa (at least 12,600 dwellings over the plan period).

1. The capped standard method minimum figure in the Plan at 630 dpa is lower than the 638 dpa figure set out in the LHNA. Can the Council point us to the document that sets out the reasoning for this please?

1.1 This is a question directed to the Council.

1.2 Paragraph 4.3 of EB8 (final report September 2020) explains that the figure for Stroud *"is capped at 40% above the latest housing requirement given that the plan was adopted within the last five years; however, if the new plan is not submitted by November 2020 then the strategic policies for housing will no longer be considered up-to-date and the applicable cap will change, which would increase the minimum LHN to 652 dpa based on current figures."*

1.3 The Plan was submitted in October 2021. In which case, according to paragraph 4.3 in EB8 the higher figure of 652 dpa should be considered.

1.4 The most recent figure updated with the 2022 affordability ratio is 671 dwellings per annum.

2. The PPG advises that 'The cap reduces the minimum number generated by the standard method, but does not reduce housing need itself. Therefore strategic policies adopted with a cap applied may require an early review and updating to ensure that any housing need above the capped level is planned for as soon as is reasonably possible.'

a. As the LHNA identifies a higher housing need above the capped level, what arrangements do the Council have for ensuring that this is planned for as soon as is reasonable? Is this clearly set out in the Plan?

b. Whilst our queries on housing provision are set out under a later matter, we note that the evidence suggests that housing supply, as at 2020, equates to 14,935 dwellings. On this basis, has consideration been given to a higher level of housing need being set out in the Plan and could this realistically be delivered during the plan period?

2.1 This is a matter for the Council. But the question assumes that all of the supply is deliverable and that there is no slippage in delivery. This is addressed in our response to other MIQs.

Gloucester's unmet housing need

The Plan, at paragraph 2.5.5, states that it 'addresses unmet needs from neighbouring Gloucester by allocating a site for 3,000 dwellings at Whaddon for delivery by 2040'. Core Policy CP2 identifies the location and proposed number of dwellings and Strategic Site Allocation Policy G2 states that the site is 'safeguarded' and includes specific requirements. The policy is subject to the site being required to meet Gloucester's housing needs and providing the location accords with the 'approved strategy' for the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy Review (JCS Review), which is currently in preparation.

The draft Strategic Housing Matters Statement of Common Ground (SOCG) on electronic page 71 of document EB3 provides some context to the reasons for the allocation to meet potential unmet needs, which is mainly due to different plan production timescales.

Whilst our more detailed questions on Strategic Site Allocation Policy G2 are set out under later matters, our general queries on meeting Gloucester's unmet housing needs are as follows:

3. **What progress has been made to finalise the above SOCG and submit a signed version?**
 - 3.1 This is a matter for the Council to provide an update.

4. **Based on the submitted evidence are we correct in our understanding that Gloucester City's housing needs, housing land supply and level of any unmet housing needs have yet to be confirmed and examined? How far have these assessments progressed?**
 - 4.1 This is a matter for the Council to provide an update. At the time of writing the only evidence appears to be in EB3.

5. **What stage is the JCS Review currently at and what is the timetable for its production and examination?**
 - 5.1 This is a matter for the Council to provide an update.

6. **The Plan states that the 2017 adopted JCS recognises that 'Gloucester City has a good supply of land for the short to medium term that will enable it to meet its requirements to at least 2028/9'. National policy states that local plan policies are required to be reviewed within five years of adoption of a plan. In this context, and if the level of any unmet housing need is uncertain at this stage, why does the Council consider it necessary to allocate/safeguard land that may or may not be required?**
 - 6.1 This is a matter for the Council to provide an update.

7. **Provision for designating safeguarded land is set out in paragraph 143 of the Framework and is in relation to the removal of land from the Green Belt. The site proposed to be safeguarded under Strategic Site Allocation Policy G2 is not in the Green Belt. The safeguarding of land would normally imply that, at least in principle, the development of the site was justified. But the caveats in the policy mean that determining whether the**

site is justified or not, will be determined at a later date. Yet confusingly the site is also identified within a strategic site allocation policy. Can the Council clarify its position on this and explain how its approach in the Plan in this regard, is justified, effective and consistent with national policy?

7.1 This is a matter for the Council to provide an update.

8. **When will it be determined whether the site at Whaddon would be required and when it would be consistent with the 'approved strategy' of the JCS Review? Would this be at the point of adoption of the JCS Review? Does the Plan clearly set this out and does this justify the need to allocate/safeguard this site now?**

8.1 This is a matter for the Council to provide an update.

9. **Overall, is the inclusion of land at Whaddon to meet the needs of Gloucester justified, effective and consistent with national policy?**

9.1 We have set out in our representations our concerns in respect of the inclusion of land at Whaddon when it is not clear what the extent of the unmet needs in Gloucester are.

9.2 Subject to it being required to meet some of the unmet needs of Gloucester and providing locating growth at Whaddon is consistent with the approved strategy for the JCS; then the case for this site is accepted, we do not have any comments on the details of the site, that is a matter for others.

9.3 However, if the site at Whaddon is not required, this location should not be included to meet Stroud's needs, as such an approach would result in approximately 5,100 dwellings in the Gloucester fringe meeting Stroud's needs, i.e., 64% of the residual housing requirement as currently proposed (i.e., with Hunts Grove and South of Hardwicke). It is considered that Stroud's needs should be met across the district at the most sustainable locations where needs arise.

Housing requirement

The PPG advises that the standard method identifies a minimum annual housing need figure, but states that it 'does not produce a housing requirement figure.' The Plan, through Core Policy CP2, states that 'Stroud District will accommodate at least 12,600 additional dwellings.....to meet the needs of the District for the period 2020-2040'. This is the same amount as the capped standard method figure for need set out in the Plan.

10. **Is the identified housing requirement of at least 12,600 additional dwellings justified and consistent with national policy? Does the Plan clearly set out in policy both the overall housing requirement for the plan period as a whole, and the requirement that applies in each year of the plan period?**

10.1 The Plan clearly sets out the overall housing requirement in Policy CP2 for the plan period as whole, as there is no phasing, it is assumed that the annual requirement is 630 dwellings per annum.

10.2 We do not have an objection to the housing requirement – our objections relate to some of the sites proposed to deliver the housing requirement and therefore the effectiveness of the Plan. This is set out in response to other MIQs. In our view the inclusion of Sharpness has resulted in an unsound plan.

11. In a similar vein to question 2 above, has consideration been given to a higher housing requirement to assist in meeting identified housing needs above the cap? Is this a realistic approach?

11.1 It is noted at para 1.5 of EB8 that the LHNA (EB10) considers that there will be sufficient resident workers to align with the jobs growth forecast and therefore no economic justification for increasing the LHN figure above the minimum figure identified by the standard method.

11.2 Paragraph 1.6 of EB8 concludes that there is no need to increase the LHN figure for affordable housing provision as it already incorporates a significant uplift beyond the household projection – based housing need. However, Table 10 of EB8 demonstrates that delivery of affordable housing has been significantly below 424 homes per annum which is the unadjusted need for affordable homes (para 2.28 of EB8 and Figure 3 page 8 of EB 10).

11.3 PPG Paragraph O24 Reference ID: 2a-O24-2019O220 advises that: *“An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes.”*

12. The LHNA considers that the jobs growth forecast aligns with the resident worker forecasts, so there is no need to increase the housing requirement above the minimum figure identified by the standard methodology. Is this approach justified?

12.1 No comments.

13. The Plan states that there is an unadjusted need for affordable housing of 424 dpa. This appears to have been established through the LHNA, which identifies a total affordable housing need of 8,476 dwellings in the District for the period 2021-2041. Is our understanding correct?

13.1 This for the Council to clarify.

14. The evidence, including the Council’s Topic Paper EB8, further explains that as the identified housing need figure incorporates a significant uplift, and there is additional supply proposed within the Plan, to provide flexibility, this ‘is sufficient to deliver affordable housing without increasing the housing requirement’. Whilst our detailed questions on the affordable housing policy are set out under a later matter, is this approach justified and will the housing requirement in the Plan deliver the identified affordable housing need? If not, what is the Council proposing to do about this, particularly as paragraph 4.21 of the Plan states that affordability is expected to worsen over the plan period?

14.1 EB8 also includes Table 10 which shows the delivery of affordable housing 2016 – 2021, the total for each year is substantially below 424 dwellings per annum (the unadjusted



need for affordable housing. Yet total homes completions in recent years according to the Housing Delivery Test had been higher than those required.

Number of homes required			Total homes required	Number of homes delivered			Total homes delivered	HDT 2021	
2018-19	2019-20	2020-21		2018-19	2019-20	2020-21		Measurement	Consequence
458	419	369	1,247	566	666	776	2,008	161%	None

14.2 In theory the additional supply included in the Plan should increase the number of affordable homes delivered in the plan period, however, the viability evidence concludes otherwise. The Policy is for 30% affordable housing provision on all strategic residential allocations and according to paragraph 2.31 in EB8 this will provide 2,424 affordable homes over the plan period compared to 8,476 (Figure 3 in EB10)

15. **The housing requirement of ‘at least 12,600’ dwelling housing requirement does not include the 3,000 dwelling contribution that the Plan is proposing to help meet Gloucester’s unmet housing needs. Notwithstanding our previous questions on the soundness of meeting unmet needs, why does this contribution not form part of the housing requirement figure? Is this approach consistent with national policy and guidance?**

15.1 This is a matter for the Council.

16. **To provide clarity for future decision-makers the Plan should clearly identify and distinguish between the objectively assessed housing need, the standard method figure, the housing requirement and the level of provision in the housing requirement to help meet the unmet needs of Gloucester City. Does the Plan do this?**

16.1 This is a matter for the Council.

17. **Paragraph 65 of the Framework states that ‘strategic policies should also set out a housing requirement for designated neighbourhood areas...’. The Council’s evidence details that there are 17 neighbourhood areas within the District with 10 made Neighbourhood Plans (NP). The Council’s Topic Paper on Neighbourhood Planning (EB5) explains that as no made or emerging NP allocate housing sites, housing requirements are to be set through site allocations in the Plan currently under our examination.**

- a. **Is this approach consistent with national policy, particularly with regard to paragraphs 65–67 of the Framework?**
- b. **Is it clear which sites are within each defined neighbourhood area and what the proposed housing requirements in these areas would be?**
- c. **What are the implications of these proposed housing allocations on the designated neighbourhood areas and any emerging or made NP?**

17.1 No comments.

Town & Country Planning Act 1990 (as amended)
Planning and Compulsory Purchase Act 2004

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