

Guildford Residents Association (GRA) Response to Main Modifications Consultation, Guildford Local Plan

MM1

GRA welcomes this policy amendment.

The reasoned justification text should refer to the new requirement in the revised NPPF para 170 that “planning policies and decisions should contribute to **and enhance** the natural and local environment”. In a Guildford context, the following subsections are particularly relevant:

- (a) ...”enhancing valued landscapes”...
- (b) ...”recognising the intrinsic character and beauty of the countryside”... and
- (d) ...”minimising impacts on and providing net gains for biodiversity, including by establishing coherent ecological networks that are more resilient to current and future pressures”...

MM2 (1)

GRA asks for the Examination to be re-opened so that the implications of the ONS population and household projections can be considered by the Inspector through a fair and transparent process. The Inspector was very clear throughout the Examination, and when he gave his provisional conclusions, that a further hearing on the housing figure may be necessary if the anticipated revised projections were significantly different. Such a change has transpired: the household formation rates in the new projections suggest housing numbers that are 22-23% lower than the previous projections for the same population increase.

GRA does not consider Policy paragraph (1) to be soundly based (NPPF para 35 and footnote 19).

- The method for assessing the Objectively Assessed Need (OAN) is not clear and justified in relation to the 2016 ONS population and household projections. Nor was it sound in relation to the previous population and household projections when adjusted for
 - under-recording of students leaving at the end of their studies (as described by expert Neil McDonald in GRA Reg 19 responses and hearing statement, the latter assessment having been reviewed by the ONS) or
 - inconsistent assumptions relating to the housing needed to support economic growth.
- The proposed amount of Green Belt loss cannot be justified by exceptional circumstances in view of the revised OAN for Guildford.

- Additional development in Guildford Green Belt to contribute to unmet need from Woking would be perverse when Guildford is more constrained than Woking (as described in GRA hearing statement) and can no longer be justified in view of the revised OAN for Woking using the standard formula (263) or the Woking housing figure that was approved at Examination.
 - The test of exceptional circumstances is not met to justify this development in Guildford Green Belt. It would be inconsistent with sustainable development.
 - The Sustainability Appraisal that considered unmet need in the HMA was not founded on a soundly based and up to date Green Belt exceptional circumstances assessment.
 - GRA is troubled by the extent to which Woking's unmet need was treated as a given at the hearings rather than as a figure yet to undergo scrutiny at examination.
 - GRA suggests any unmet need estimate should be seen in the context of Woking's ambitious development plans and potential for redevelopment.
 - It is not credible, in light of the new housing need evidence, to base assessment of Woking's unmet need on the 2015 West Surrey Strategic Housing Market Assessment (SHMA).
- The supply in Table S2a is excessive, notwithstanding the need for resilience, being twice the figure of c360 homes a year required to achieve the Inspector's ambition for economic growth.
 - The supply is disproportionate given the context of the exceptional circumstances required to justify Green Belt development.
 - The supply has been identified by turning too readily to Green Belt and has not been assembled pursuing a brownfield first approach consistent with the NPPF or the Inspector's requirement that no stone should have been left unturned in identifying brownfield opportunities.
 - The quantum of additional early supply cannot be considered sound in light of the revised OAN. The Sustainability Appraisal relied upon to justify these further Green Belt sites is not soundly based on exceptional circumstances that justify Green Belt loss.
- The distribution of supply across spatial locations in Table S2b is not sound being over reliant on Green Belt sites to the extent it reflects a Green Belt first approach. This is exemplified by the way Green Belt potential development areas, including the three strategic sites, were identified very early without putting comparable effort into brownfield site assembly. This bias has been perpetuated with the recently proposed further Green Belt sites where the justification appears to be that these sites have already been appraised.

- A reduced OAN increases the opportunity to identify and deliver brownfield sites during the life of the Plan and for this regeneration to make a significant contribution to overall need.
- Draft para 4.1.21 already describes that in addition to identifying sites to meet the current OAN, “as part of regeneration efforts, more housing is likely to come forward over the plan”. For the test of exceptional circumstances to be met, these sites should be factored into the spatial locations in Table S2b. The test of exceptional circumstances has not been passed if anticipated regeneration will provide additional homes surplus to OAN.
- There is a strong case for taking out at least one strategic Green Belt site. The revised housing figures make table S2b out of date and in need of re-examination.

GRA notes statements made by the Council since the Examination hearings indicating that it took a decision from the outset to opt for a high housing figure in order to fund infrastructure.

An authority may, of course opt to propose for Examination a housing figure that is higher than the OAN. However, in the case of the Draft Guildford Local Plan, the key issue is that a housing figure greater than the OAN has a bearing on whether exceptional circumstances apply that justify removing land from the Green Belt.

The justification given for Green Belt development has been housing need and developers only fund infrastructure to mitigate the excess demand they create.

GRA submits that a housing requirement of 630, plus 42 for Woking’s unmet need, is not sound and does not provide a justification for Green Belt loss on the scale proposed, for town cramming or for the increased congestion that would arise in a constrained gap town.

Appendix 1 of this response is an assessment by expert Neil McDonald of the IMPLICATIONS OF THE 2016-BASED HOUSEHOLD PROJECTIONS ON THE HOUSING NEED OF GUILDFORD BOROUGH.

Crucially, he calculates that updating his previous estimate of the OAN* (460 homes a year) to reflect the new ONS household projections reduces the figure to 360 homes a year (rounded from 361).

* Derived applying 2014 household formation rates to the 2016 population projections

He also submits that there ought to be similar reduction in the GLHearn figure with 629 potentially reducing to 480-490 homes a year.

He sets out that the main reasons for the differences with GL Hearn, as established in the statement of common ground, are:

- Their cautious view of the proportion of the Guildford population which will be available for work (i.e. economically active), which he believes is simply not compatible with the Inspector’s ambitious view of the future rate of jobs

growth.

- GL Hearn's figures are based on OBR economic activity rates consistent with a jobs growth forecast of 0.23%; those rates are not consistent with the Inspector's view that planning should be on the basis of jobs growth that is more than 3 times as great at 0.8%. In contrast, the NMSS analysis is based on Experian forecasts which envisage job growth at a similar rate to that suggested by the Inspector.
- GL Hearn's insistence that the population projections do not include any student growth at all, despite a growth in the 18-23 population that is much larger than the predicted growth in the number of students living in rented accommodation.

The updated OAN of c360 homes a year to support the Inspector's ambitious rate of economic growth is not out of step with the OAN of 431 derived using the standard method (noting of course that this Plan is being examined under the previous approach).

We wish to reserve the right to comment in the light of what GBC proposes in response to the new ONS household figures. In the meantime, based on economic need to meet the inspector's ambitious growth assumptions, economic participation rate assumptions consistent with this, the new household projections and the greater proportion of working age within the local population reducing the need to bring workers in, Neil McDonald identifies that the OAN should be revised to 360

The current figure in the Draft Plan, of 630+42 extra homes a year, is 75% higher than the number of homes needed to support ambitious economic growth and out of step with both the new ONS figures and the new Government formula.

Para 4.1.9b In the last sentence, the meaning of "the policies which are most important for determining a planning application would not be considered up-to-date" should be redrafted to be intelligible to a non-expert and is too imprecise to reflect policy.

MM2 (2a)

Persisting with a 41,000 sq m allocation of comparison retail floorspace:

- is inconsistent with evidence of retail change that has continued since the hearing
- puts existing retail space, including the High Street, at risk
- denies the potential for other uses and cannot be justified when that land could potentially be allocated for other uses that are currently being directed to Green Belt
- does not respond adequately to the approach advocated by the Inspector of promoting mixed use development in the town centre

MM3

The town centre policy should include an allocation for an all direction bus interchange. Ensuring the centre is designed around sustainable transport is essential. The geography of Guildford, as a constricted, congested gap town with a steeply sloping high street, means that it does not lend itself to a ring round and peripheral bus stop approach. A central bus interchange from which you can travel in any direction is essential. It is a major failing of the plan that no site is identified. With changing demand for retail floorspace, the reasons for loss of the existing bus station site cannot be sustained in the absence of an alternative bus proposal.

MM3 (5)

New town centre development should avoid adverse impact on surrounding residential areas.

MM3 New Policy

There should be a policy (S4) for the urban areas beyond the town centre to prevent inappropriate garden grabbing and to encourage a joined-up approach to site assembly in carefully selected residential areas where redevelopment linked to enhancement might be appropriate. At the outset GRA advocated targeted site assembly and redevelopment linked to enhancement in a few locations, such as parts of Park Barn, and this option was not pursued because so much Green Belt was identified. Without a policy to promote this approach there is a concern no action will be taken either in this plan period or in readiness for the next plan period.

MM9

In Green Belt, proposed limited infilling outside identified settlement boundaries should not be allowed, would harm openness and become a loophole.

MM23

In (9) strategic sites should not be exempt from a requirement to reflect locally distinct patterns and character of development. This would be compatible with sites creating their own identity and would avoid “could be anywhere” estates.

MM23

(D1) does not incorporate sufficient elements of deleted policy (D4) to address character adequately. It should shape windfall as well as larger sites notwithstanding the anticipated, overdue Development Management Policies.

MM23

Promotion of “green approaches” should clearly include protecting and enhancing greenness along transport corridors within settlements, as well as tree screens around the edge of settlements.

This policy should place great emphasis on height and bulk of development given the importance of views into and out of the town, including from the AONB. A height

limit should be introduced given the importance of the rise and fall of the downs in the urban landscape.

If (D1) does not capture the qualities, including landscape, to be protected along the Wey Corridor then MM29 should be amended to specifically provide for this.

MM31

The North Street policy should be amended to reflect the more flexible and less specific approach of promoting mixed use development in MM18. Placing so much retail floorspace in one site is an outdated model, would threaten the viability of existing retail, including the High Street, and the scope for retail as part of other new mixed development.

A height limit for North Street is required.

Where is the allocation for an all-direction bus interchange?

MM32

A height limit for White Lion Walk is required.

MM33

This should require sensitive, low-rise design that is well set back and screened along the Wey Corridor at Slyfield and green roofs for commercial buildings within the site to minimise impact on views from the AONB eg Merrow Downs.

MM35

Gosden Hill should be a candidate for removal from the Plan. It is highly effective Green Belt along the A3 providing a strategic gap traveling from London. It includes a potential location for a future A3 tunnel. Revised housing need figures weaken the justification for development.

“Transport (2)” is too woolly and should clearly require a new access road to a four-way junction onto the A3 at Gosden Hill Farm.

If some early development occurs at Gosden Hill to fund the scheme, it should be a condition of any access that it does not subsequently become an access for the whole site because the traffic impact on the London and Epsom Roads would be unacceptable

MM36

Blackwell Farm should be a candidate for removal from the Plan. It is Green Belt that also protects views from the AONB along the Hogs Back. Revised housing need figures weaken the justification for development.

MM37

The proposed land for an access road between the A31 and Blackwell Farm would harm the AONB.

MM39

Can adding a new Green Belt site at Aaron's Hill be justified given revised figures?

MM40

Wisley should be a candidate for removal from the Plan. Revised housing need figures weaken the justification for development. It does not adjoin Guildford.

MM41

Should Garlick's Arch be retained as Green Belt in view of revised housing need, rather than expanded?

MM43

Can adding a new Green Belt site at Chilworth be justified in view of revised figures?

MM44

Can adding a new Green Belt site at Send be justified in view of revised figures?

MM45

Can adding a new Green Belt site at Flexford be justified in view of revised figures?

NOTE ON THE IMPLICATIONS OF THE 2016-BASED HOUSEHOLD PROJECTIONS ON THE HOUSING NEED OF GUILDFORD BOROUGH

Introduction

1. The Office for National Statistics (ONS) published the 2016-based household projections for local authorities (the '2016 Sub-national Household Projections' - 2016 SNHP) on 20 September 2018. These are the first set of household projections produced by the ONS. Previously the official household projections were produced by the predecessors of the MHCLG. The last set of projections produced by the MHCLG were the 2014-based projections (the '2014 SNHP'). The new projections use more recent data and a different methodology. Generally, the new set suggests slower household growth than the 2014 SNHP.
2. There are two main components to an official set of household projections:
 - a. **A set of population projections.** Both MHCLG and the ONS have based their projections on the last available set of ONS sub-national population projections (SNPPs). The 2014 SNHP was based on the 2014 SNPP and the 2016 SNHP on the 2016 SNPP
 - b. **Projections of household formation rates.** To turn a set of population projections into a set of household projections estimates need to be made of how the population will group itself into households i.e. how household formation rates (or, more strictly, household representative rates 'HRRs') will change. Both the MHCLG and ONS methods adopt a trend-based approach. The MHCLG approach disaggregated the population by 5-year age groups, sex and marital status whereas the ONS have only use age and sex groups – and a much shorter trend series. The ONS approach produces lower household

formation rates and for some authorities, including Guildford, the difference is significant.

3. Prior to the publication of the 2016 SNHP it was common practice to update the 2014 SNHP using later population projections (the 2016 SNPP, possibly updated to reflect the 2017 Mid-year Population Estimates) and the household formation rates from the 2014 SNHP. That approach usually provides a reasonably reliable indication of a forthcoming new set of household projections. However, as the latest household formation rate projections are so different from the 2014-based set, such estimates have generally over-estimated the household growth which the 2016 SNHP has now projected.

What the new projections mean for Guildford

4. It was common ground between GL Hearn (Guildford Borough's advisors) and NMSS (who have advised the Guildford Residents' Associations) that:
 - a. Updating the 2014 SNHP with the 2016-based population projections suggested a starting point demographic estimate of Guildford's housing need of around 420 homes a year 2015-34.
 - b. Further updating this estimate to reflect the ONS's 2017 mid-year population estimates (which showed lower population growth than anticipated in the 2016 SNPP) reduced the demographic starting point to around¹ 400 homes a year.
 - c. The jobs growth rate suggested by the Inspector implies a faster population growth (and hence more homes) than suggested by the demographic projections.
 - d. There is no need to make a further market signal/affordability adjustment on top of the uplift required to support economic growth.
5. There were, however, large differences between GL Hearn and NMSS about how the number of extra homes needed to support job growth should be estimated: GL Hearn calculated this at 606 homes a year 2015-34 and NMSS at 460 homes a year. The differences are largely concerned with the assumptions made about the proportion of the population that will be in work or seeking work i.e. economic activity rates.
6. GL Hearn and NMSS also differ on whether the above figures will provide adequate accommodation for the expected increase in the number of students living in rented accommodation in Guildford. NMSS believe that it will; GL Hearn believe that an extra 23 homes a year are needed for students. Adjusting the homes for jobs led figures accordingly, the GL Hearn estimate of the number of homes needed each year (the OAN) is 629 (i.e. 606 + 23) whereas the NMSS figure is 460 (i.e. 460 + 0).
7. Full details of the comparison between the NMSS and GL Hearn estimates is set out in the table at Appendix 1, which is taken from a statement of common ground agreed between GL Hearn and NMSS.
8. **Note that all of the above numbers are based on the household formation rates (HRRs) from the 2014-based household projections. They are now out of date and need to be revised to reflect the 2016-based household projections.**

¹ There were small differences between the exact numbers calculated but these were not material.

9. When the key figures are updated to reflect the 2016-based household formation rate projections:
 - a. **The number of homes implied by the unadjusted 2016-based household projections is 325 homes a year (2015-34)** – compared with 420 homes a year based on using the 2016 SNPP to update the 2014-based projections. This is a reduction of 23%
 - b. **The NMSS calculation of the number of homes needed to support the Inspector's view of the rate of jobs growth is 361 homes a year** – compared with 460 homes a year previously estimated. This is a reduction of 22%.
10. **There will be similar reductions in the GL Hearn figures, suggesting a revised estimate in the range 480-490 homes a year 2015-34**, although the exact number cannot be calculated without the detailed population age profiles for the GL Hearn projections.

NMSS

17 October 2018

APPENDIX 1

COMPARISON OF GL HEARN AND NMSS ESTIMATES OF GUILDFORD'S HOUSING NEED

		Headship Assumptions	NMSS Comments	NMSS	Council	
Demographic Need	Population Growth 2015-34			14,927 (10.3%)	14,927 (10.3%)	
				2016-based SNPP	2016-based SNPP	
	Rebasing for 2017 MYEs		NMSS calculation averages two alternative estimates	11,440 (10.0%)	14,891 (10.3%)	
	Household Growth			389 pa	396 pa	
				Headship Rates from 2014-based Household Projections	Headship Rates from 2014-based Household Projections	
	Vacancy Rate		GL Hearn assumption used	2.3%	2.3%	
					2016 Council Tax data	
	Demographic Need	Demographic Need	2014 SNHP HRRs		398 dpa	405 dpa
			PRT	Not appropriate		455 dpa
			25-34 return to 2001	Not appropriate		459 dpa
Economic-led Need	Number of Jobs the Demographic Need Could Support			Not calculated: depends on assumptions which must be mutually consistent (c.f. OBR approach)	9,612	
	Assumptions			To deliver 0.8% employment growth requires bullish assumptions on EARs. Experian's forecasts are the only ones available to NMSS that are remotely consistent with 0.8%	From 2015, OBR no reductions, unemployment reduced 400 (2015-17), constant commuting (Census) and DJ (APS)	
	Expected Employment Growth		NMSS figure is higher than GL Hearn's as the Experian jobs estimate for 2015 is higher than GL Hearn's so 0.8% increase produces larger job growth	15,316 jobs	14,600 jobs	

			As in Inspector's preliminary findings	0.8%pa	0.8% pa
	Economic Activity Rates			Experian and GL Hearn estimate of Experian Guildford EARs	OBR 2017 [no decreases]
	Commuting Ratio			Not quoted by Experian	0.91
	Double Jobbing				4.3%
				Consistent with Experian forecast	Based on analysis of APS data
	Unemployment			Experian	Reduced by 400 from 2015-17: no further changes modelled
	Economic-led Need	2014	NMSS estimate is an average of two calculations	460	549
		PRT	Not an appropriate way to adjust for poor affordability		603
		25-34 return to 2001	See above		606
Affordable Housing Need	Affordable Need		Not calculated		517 affordable dpa
	Assumed % Delivery				40%
	Notional Provision to Meet Full Affordable Need		This figure is purely "notional": it has no practical meaning		1,293 dpa
Market Signals	Uplift Proposed			No specific adjustment beyond economic-led need	No specific adjustment beyond economic-led need
	Applied to			Demographic starting point (398 dpa)	Demographic starting point (405 dpa)
	Need with Market Signals			Economic Led Need Equates to 15% Uplift	Economic Led Need Equates to 47% Uplift
Adjustment to Accommodate Student Growth			Revised projection includes provision for more than twice the number of additional 18-23 year olds than the expected increase in students in market	Nil	23

			housing		
Full OAN for Guildford Borough				460	629