Hearing Statement
Plymouth & South West Devon Joint Local Plan Examination
Matter 3
On behalf of Land Value Alliances Ltd
Person ID: 1096270
January 2018
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INTRODUCTION

1.1.1 This Hearing Statement has been prepared by Walsingham Planning, formerly Ian Jewson Planning Ltd (IJP) on behalf of Land Value Alliances Ltd (LVA) and relates to the Plymouth and South West Devon Joint Local Plan (JLP) Examination. Walsingham Planning previously submitted representations in relation to earlier stages of the consultation process including the Regulation 19 documents.

1.1.2 LVA has a specific interest in relation to land north of the A3072 in Hatherleigh as edged red on the plan attached at Appendix 1. This land has previously been identified as a proposed allocation for mixed use development (SHLAA reference WD 06 13 16) in the Extra Sites and Topic Paper Consultation (November 2016) for the Thriving Towns and Villages. However, the site was omitted from the pre-submission Regulation 19 version of the JLP in favour of land on the opposite side of the A3072 known as ‘Hatchmoor’ (Site 12 in Policy TTV29). LVA have previously argued that the inclusion of this site as a proposed allocation has not been adequately justified based on available evidence.

1.1.3 It is recognised that the LVA site is not a specific matter for the Examination but reference to it is included to explain the context of the LVA proposals. A planning application for a mixed use development including 80 dwellings is currently before the Council for determination (LPA Ref: 1885/17/OPA).

1.1.4 This Statement addresses matters identified by the Inspector in the Matters, Issues and Questions (November 2017) where considered relevant and highlights issues which are still considered to be of concern in relation to the soundness of the plan.

1.1.5 We note that since the Regulation 19 document, a number of additional documents have been published on the JLP Examination website, including:

- New Housing Trajectories updating base date to March 2017 (Reference: TP3E, TP3F and TP3G).
- TTV Trajectory agreement document (Reference: TP3I).
- Summary of Allocated and Rejected Sites (Reference: EXC3D).
1.1.6 Reference is also made to these documents where relevant.
2  MATTER 3: HOUSING

2.1  Establishing the objectively assessed need (OAN) for housing

i. Has the Housing Market Area (HMA) adopted for the assessment of housing need been defined in accordance with the advice in Planning Practice Guidance (PPG)?

2.1.1 No comment.

ii. Is the requirement for 26,700 dwellings in Policy SPT3 (taking into account the provision in Dartmoor National Park (DNP) of 600 dwellings) based on an objective assessment of need using up to date, reliable evidence including the latest CLG household projections?

2.1.2 As set out in our Regulation 19 Representations we consider the revised assessment of the OAN which has considered two scenarios, seeks to down play the overall housing requirement to no more than 27,303 (significantly less than the 30,300 OAN suggested in earlier JLP evidence). This proposed reduction in the overall housing requirement across the HMA is concerning and will potentially result in significant housing supply issues.

2.1.3 The latest CLG household projections have been used to inform the OAN suggested in the SHMA, however LVA question the calculations and consider there are potentially a number of other reasons why the OAN is not robust (e.g. errors in the SHMA’s 10-year migration scenario).

2.1.4 Overall, we consider the requirement for 26,700 dwellings in Policy SPT3 is not based on an objective assessment of need and therefore the plan cannot be considered sound.

iii. Representations by a number of housebuilders refer to a study in 2016 which found a requirement for 30,300 dwellings across the 3 local authority areas. What is the basis for the reduction in the requirement to 26,700?
Does the reduction result from the use of the 2014-based sub-national household projections?

2.1.5 We welcome that the ‘Plymouth, South Hams, West Devon: Establishing the Objectively Assessed Need’ document dated June 2016 prepared by PBA has been added to the Examination Library (Reference: HO17). This formed an important part of the evidence base for the Regulation 18 stages of the JLP. The PBA document concluded the OAN in the HMA to be 30,300 dwellings in the plan period (i.e. 3,600 dwellings more than currently proposed in Policy SPT3 of the Plan).

2.1.6 The Joint Authorities have clarified in their response to the Inspectors Initial Questions dated 6th October 2017 that the PBA Document provided an early indication of OAN based on 2012-based sub-national household projections but was not carried forward. They state at Paragraph 1.4:

“a consultation was carried out in July 2016 under Regulation 18, which included an early indication of the Objectively Assessed Need for new homes in the Plymouth HMA, including an evidence base now which has been added to the Examination Library (see above). The OAN was subsequently revised in the light of more up to date Sub National Population Projections which were released by ONS later in 2016.”

2.1.7 Whilst it is important to consider up-to-date household projections as these provide the most up-to-date estimate of future household growth, it does not automatically mean that previous evidence should be disregarded. The change in the OAN represents a significant reduction in housing delivery over the plan period in a short space of time which is concerning for the HMA as it may not provide a true reflection of housing needs.

iv. The PPG indicates that household projections do not reflect the consequences of past under delivery of housing. Is there evidence of past under delivery of housing within the defined HMA to indicate that household formation rates may have been constrained by supply?

2.1.8 Across the HMA as a whole there has been a considerable shortfall of housing delivery between 2001 and 2016. The overall target in this period for the HMA was 1,720 dpa
but the Joint Authorities have only managed to deliver 1,114 dpa which suggests an underdelivery of 606 dpa. On this basis due to lower levels of household formation rates the household projections cannot be considered to be robust.

2.1.9 Based on the above, to be effective the Plan should be updated to take into account the past under delivery of housing and the impact of surpressed household projection rates.

v. Does the uplift for market signals which is included within the calculation of the OAN (HO13 Table 17) ensure that provision is made for any previous under delivery of dwellings in addition to high house prices and rental levels?

2.1.10 LVA consider that the past under delivery of housing referenced in response to question iv above should be addressed within the first 5 years of the plan period. Using market signals is not the correct approach as they will not ensure provision is made for past under delivery.

vi. Does the calculation of OAN adopt reasonable vacancy rates for each of the Councils (HO13 (Table 7), and is it appropriate to take into account second homes?

2.1.11 No comment.

vii. Does the housing requirement make sufficient provision for economic growth?

2.1.12 LVA question the evidence in the SHMA which suggests no uplift is required to the preferred demographic-led scenario to provide sufficient workers to fill the anticipated jobs across the HMA as it is not clear whether changes in job numbers based on past trends and/or economic forecasts has been properly taken into account.

viii. The proposed housing requirement is criticised for falling below the currently adopted housing requirements for each of the Council areas. How does the proposal for 26,700 dws in the plan period comply with Government policy to boost the supply of housing?
2.1.13 Based on our conclusions above the proposal for 26,700 dwellings in the plan period does not comply with the Government policy to boost ‘significantly’ the supply of housing which is enshrined in Paragraph 47 of the NPPF. The higher figure of at least 30,300 dwellings in the plan period should be used.

ix. Has the need for affordable housing been adequately assessed and is the requirement for affordable housing identified in Policy SPT3 appropriate?

2.1.14 LVA question the evidence in the SHMA which has informed the affordable housing need requirement in Policy SPT3 of the JLP. It is not clear whether PBA have followed the correct methodology which may have resulted in an underestimation of affordable housing need. Further clarity should be provided on how the affordable housing need has been calculated and how the figures are robust in accordance with the PPG.

x. Have the needs of particular groups (eg older people and those requiring specialist support) been appropriately taken into account in the OAN?

2.1.15 No comment.

xi. Have the housing needs for gypsies, travellers and travelling showpeople been adequately assessed in accordance with national policy?

2.1.16 No comment.

2.2 Spatial Strategy – overall distribution of the housing provision across the JLP area

i. The Councils’ calculation of the OAN indicates a requirement for the following distribution between the three Council areas in the JLP

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<tr>
<td>Plymouth City</td>
<td>18,217</td>
</tr>
<tr>
<td>South Hams</td>
<td>3,924</td>
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<tr>
<td>West Devon</td>
<td>5,162</td>
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Of this total, some 600 would be provided within the DNP, leaving a requirement for 26,700 dwellings in the JLP.
Taking into account the Councils’ assessment of housing land supply throughout the JLP area, the strategic objective to strengthen the focus of growth on Plymouth and in order to support the greater use and viability of sustainable transport modes in commuting to work (TP3 para 5.57), the distribution proposed as a monitoring target for the plan period in the JLP (Annex 2) is:

- **Plymouth City**: 13,200
- **South Hams**: 10,300
- **West Devon**: 3,200

To what extent is it reasonable to distribute the housing requirement between the 3 Councils as proposed? Is this supported by credible evidence?

2.2.1 LVA do not consider the proposed distribution of housing across the 3 Councils is supported by credible evidence.

2.2.2 West Devon has been distributed a much lower housing requirement (3,200 dpa) than suggested in the SHMA (5,162 dpa). This being based on scenario 2 which uses the 10-year migration trend projections uplifted. Scenario 1 is based on the 2014 based household projections uplifted and suggests a lower OAN overall across the three LPA areas but suggests a higher OAN in West Devon (5,722 dpa) than in scenario 2.

2.2.3 Policy SPT3 of the submitted JLP proposes that most of the growth in the HMA should take place at Plymouth (the city and its urban fringe). As set out in our Regulation 19 Representations whilst this is generally a logical approach it is important to make sure that it is not to the detriment of sustainable growth at the towns elsewhere, and particularly in West Devon where the needs of rural communities are unlikely to be met. In addition, LVA consider the Housing Topic Paper does not provide robust evidence to justify the direction of 800 dwellings from West Devon to the Plymouth Policy Area (PPA) and 900 dwellings redirected from West Devon to South Hams.
2.2.4 A greater emphasis should be on dispersing development across the three Council areas to ensure a more balanced approach to growth. This should not undermine the needs of Plymouth as the focus for growth but will ensure there is more housing designated to rural areas in West Devon which need growth to support their needs.

2.2.5 In addition to the above it is unclear which of the Joint Authorities would be responsible for providing additional sites should housing land supply fall below five years. The Plan needs to be explicit about how this is addressed.

2.2.6 Overall it is considered that the proposed distribution of housing across the 3 Councils is not based on credible evidence, therefore the Plan is not justified.

ii. The housing requirement is directed in Policy SPT3 to the two Policy Areas proposed in the JLP. A requirement for at least 19,000 dwellings is allocated to the Plymouth Policy Area (PPA), with at least 7,700 to the Thriving Towns and Villages Policy Area (TTVPA). Is the split between the PAs justified, and will it meet the needs of local communities and be sustainable?

2.2.7 The evidence in the SHMA suggests that South Hams and West Devon should be designated a higher ‘proportion’ of the OAN (i.e 9,086 dwellings). Policy SPT3 proposes 19,000 dwellings in the Plymouth Policy Area and just 7,700 in the thriving towns and villages (which covers South Hams and West Devon). Whilst it is acknowledged that the distribution of the OAN needs to take into account local circumstances, further growth should be designated to the TTVPA to ensure that an appropriate level of sustainable growth is achieved.

2.2.8 Therefore, it is considered the proposed split between Policy Areas is not justified based on available evidence, and the JLP is therefore unsound.

2.3 Assessing the supply of housing land to deliver Policy SPT3

i. Is the methodology used by the Councils in the Strategic Housing Land Assessment to assess the availability, suitability and likely economic viability of land that could meet the identified need for housing over the
plan period sound? Are the reasons for selecting preferred sites and rejecting others clear?

2.3.1 LVA welcome that the Council has submitted additional evidence document called ‘Summary of Allocated and Rejected Sites’ which provides further information on the reasons for selecting preferred sites and rejecting others. As set out in our Regulation 19 Representations the reasons for deallocating the site to the north of the A3072 in favour of the Hatchmoor site remain unclear and are not justified based on the available evidence (see our Hearing Statement relating to Matter 8).

ii. Are the sources of supply and the expected contribution from Neighbourhood Plans, student accommodation release, small and large sites which are not allocated, and small windfalls included in Table 12a justified?

2.3.2 No comment.

iii. Are the allowances for a lapse rate in the completion of planning permissions of 10% for PPA and 15% for TTVPA appropriate? Is there any evidence to indicate these should be changed?

2.3.3 No comment.

iv. Monitoring targets for each LPA are set out in Annex 2 to the JLP. It is stated in TP3 para 8.22 that each LPA will monitor delivery against these target figures to ensure that the requirements of para 47 of the NPPF are being met. It is stated in para 8.25 of TP3 that the PA targets in STP3 will be used for 5 year housing land supply analysis for development management purposes. Can the Councils please explain how this will work in practice? For example, if there is a shortfall in delivery within the PPA, would it become the responsibility of Plymouth CC or S Hams to find further allocations to make up the shortfall?

2.3.4 No comment
v. Based on a requirement for 26,700 dwellings, is the annual requirement 1335, split between PPA 950 and TTVPA 385?

2.3.5 No comment

vi. In order to calculate a five year supply, is it appropriate to provide for the backlog within the first five years, with a 20% buffer to secure choice in supply? Would the five year requirement then be 9,815 in the first five years?

2.3.6 LVA consider it is appropriate to provide for the backlog within the first five years, with a 20% buffer due to the persistent under-delivery of housing across the HMA (see our response to question iv of the OAN section above). This should be the preferred approach as it will ensure requirements are met and secure choice in supply.

vii. Can the figures on housing land supply be updated to March 2017, including revised detailed housing trajectories to replace TP3A, TP3B and TP3C?

2.3.7 LVA welcome that the trajectories have been updated to the base year of March 2017.

viii. To what extent has the data in the trajectories been discussed and agreed with the development industry?

2.3.8 LVA welcome that the Council have provided further evidence on this matter in the trajectory agreement document (Ref: TP3I).
APPENDIX 1 – SITE LOCATION PLAN