



WOKINGHAM BOROUGH COUNCIL

A Meeting of an **INDIVIDUAL EXECUTIVE MEMBER DECISION** will be held at the Civic Offices, Shute End, Wokingham on **TUESDAY 17 NOVEMBER 2015 AT 9.00 AM**

A handwritten signature in black ink, appearing to read 'Andy Couldrick', written in a cursive style.

Andy Couldrick
Chief Executive
Published on 9 November 2015

This meeting will be filmed for inclusion on the Council's website.

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Our Vision

A great place to live, an even better place to do business

Our Priorities

Improve educational attainment and focus on every child achieving their potential

Invest in regenerating towns and villages, support social and economic prosperity, whilst encouraging business growth

Ensure strong sustainable communities that are vibrant and supported by well designed development

Tackle traffic congestion in specific areas of the Borough

Improve the customer experience when accessing Council services

The Underpinning Principles

Offer excellent value for your Council Tax

Provide affordable homes

Look after the vulnerable

Improve health, wellbeing and quality of life

Maintain and improve the waste collection, recycling and fuel efficiency

Deliver quality in all that we do

For consideration by

John Kaiser, Executive Member for Planning and Highways

Officers Present

Vanessa Rowell, Land Use and Transport Team

Colm Ó Caomhánaigh, Democratic Services

IMD NO. 2015	WARD	SUBJECT	
IMD34	None Specific	WBC CONSULTATION RESPONSE TO THE REPORT ON THE HOUSING MARKET AREAS AND FUNCTIONAL ECONOMIC MARKET AREAS IN BUCKINGHAMSHIRE – THE IMPACT OF A JOINT PLAN FOR CHILTERN AND SOUTH BUCKS To give comments on the report.	5 - 10

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Agenda Item IMD34

NOTICE OF INDIVIDUAL EXECUTIVE MEMBER DECISION

ITEM NO.	IMD 2015/34
TITLE	Wokingham Borough Council's response to the Housing Market Areas and Functional Economic Market Areas in Buckinghamshire - the impact of a Joint Plan for Chiltern and South Bucks - October 2015
DECISION TO BE MADE BY	John Kaiser, Executive Member for Planning and Highways
DATE AND TIME OF DECISION	17 November 2015, 9.00am
VENUE	SF2
REPORT TO BE PUBLISHED ON	9 November 2015

**INDIVIDUAL EXECUTIVE MEMBER DECISION
REFERENCE IMD: 2015/34**

TITLE	Wokingham Borough Council's response to the Housing Market Areas and Functional Economic Market Areas in Buckinghamshire - the impact of a Joint Plan for Chiltern and South Bucks October 2015
FOR CONSIDERATION BY	John Kaiser, Executive Member for Planning and Highways
ON	17 November 2015
TIME	9.00am
WARD	Non-specific
DIRECTOR	Environment - Heather Thwaites

OUTCOME / BENEFITS TO THE COMMUNITY

To ensure that local authority areas assess their functional Housing Market Area (HMA) accurately and look to meet their housing need in their defined housing market area.

RECOMMENDATION

The Executive Member for Planning and Highways

- 1) approves the comments outlined in this report which seeks stronger evidence about which Housing Market Area South Bucks are in, clarification about what Objectively Assessed Need (OAN) figure they will be using and how housing will be delivered to meet the housing need within the HMA.

- 2) that they be submitted as a formal response to the consultation from Chiltern and South Bucks on their duty to co-operate consultation on their review of the Housing Market Area and Functional Economic Market Area in Buckinghamshire in relation to the impact of a Joint Plan for Chiltern and South Bucks.

SUMMARY OF REPORT

This report details the proposed response of Wokingham Borough Council to the consultation from Chiltern and South Bucks on their duty to co-operate consultation on their review of the Housing Market Area and Functional Economic Market Area in Buckinghamshire.

- The content of this report includes:
- Considering whether the definition of the housing market area is robust
- Seeking clarification from South Bucks as to what OAN figure they will be using when progressing any Local Plan and how housing will be delivered to meet the housing need within the HMA.

Background

In March 2015, Opinion Research Services Ltd (ORS) completed a Housing Market Area (HMA) and Functional Economic Market Area (FEMA) assessment on behalf of the Buckinghamshire local planning authorities. The report concluded that the “best fit” for the Central Buckinghamshire housing market area comprises Aylesbury Vale, Chiltern and Wycombe districts; and that South Bucks district should be considered within the “best fit” for the Reading and Slough HMA, which comprised the local authority areas of all six Berkshire authorities and South Bucks.

In October 2015, GL Hearn completed a Strategic Housing Market Assessment (SHMA) on behalf of the six Berkshire authorities and the Thames Valley Berkshire Local Enterprise Partnership (LEP) which reinforced the assessment carried out by ORS. The Berkshire and South Bucks Strategic Housing Market Area (SHMA) identifies two Housing Market Areas (HMAs), which are:

- the Western Berkshire HMA (consisting of Wokingham, Reading, Bracknell Forest and West Berkshire) and
- the Eastern Berkshire and South Bucks HMA (consisting of Slough, Windsor and Maidenhead and South Bucks).

In October 2015, ORS published a report considering the impact of Chiltern and South Bucks producing a Joint Local Plan. The report concludes that when taking both Chiltern and South Bucks as a local plan area into consideration, the “best fit” functional housing market area for the combined authorities is the Central Buckinghamshire HMA. Therefore the Central Buckinghamshire HMA, would comprise of Aylesbury Vale, Chiltern, Wycombe and South Bucks.

Analysis of Issues – Housing Market Area

The most recent ORS report (October 2015) assesses the functional Housing Market Area at the proposed local plan geographical scale (i.e. South Bucks and Chiltern). The findings of the October 2015 report are not consistent with the findings of the March 2015 report which concludes that South Bucks is within the Reading and Slough HMA. This is also inconsistent with the findings of the Berkshire SHMA, which concludes that South Bucks is within the Eastern Berkshire plus South Bucks HMA (consisting of Slough, Windsor and Maidenhead and South Bucks). It is also noted that in paragraph 9 of the October 2015 report, it is stated that:

“The decision about whether or not Chiltern and South Bucks local planning authorities develop a Joint Plan will have no impact on the functional areas identified in Figure 1.”

Figure 1 of the October 2015 report (originally figure 64 of the March 2015 report) shows that the majority of South Bucks is identified as being within a HMA with the Berkshire Authorities.

Furthermore, the information provided within the October 2015 report does not demonstrate a comprehensive analysis to justify the conclusion that South Bucks is within the Central Buckinghamshire HMA. National Planning Policy Guidance recommends that there should be an analysis of house prices and rates of change in house prices, an analysis of household migration and search patterns and an analysis

of contextual data (for example, travel to work area boundaries). There is also no mention of commuting or migration self-containment rates which is the recommended indicator to define housing market areas by the National Planning Policy Guidance. There is also no guidance within the National Planning Policy Framework, the National Planning Practice Guidance or within the Planning Advisory Service Objectively Assessed Need note which supports the approach of assessing the HMA at the geographical scale that a proposed local plan would cover.

Wokingham Borough Council therefore has concerns regarding the findings of the most recent October 2015 report as the analysis to support the conclusions is not justifiable enough and the conclusions of the October 2015 report contradict the findings of the March 2015 report and the Berkshire SHMA.

Paragraph 5.23 of the PAS OAN note gives an example of the Stratford upon Avon local authority area which is within two HMAs (the same situation as South Bucks if they consider that they are within the Central Buckinghamshire HMA). Paragraph 5.23 states that:

“A better (though untidy) solution is to include the whole of Stratford district in housing needs assessments for both HMAs; and later when setting targets to bear in mind that both HMAs competing claims on the district’s land supply. Inspectors have often accepted this kind of approach, noting that HMAs overlap, their boundaries are permeable and no market geography is perfect.”

Having regard to the above, it is feasible that an authority such as South Bucks could be within two different HMAs. However, as stated above, more justifiable information is needed to support the claim that South Bucks is within the Central Buckinghamshire HMA.

Analysis of Issues – Objectively Assessed Need

The Berkshire SHMA is the only current evidence that gives an Objectively Assessed Need figure for South Bucks (within the Eastern HMA) of 376 dwellings per annum.

Paragraph 47 of the NPPF states that:

*“Local planning authorities should:
Use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework...”*

Any OAN figure will ultimately have to be worked through the Local Plan process before a final housing target figure can be adopted.

It is currently unclear as to whether South Bucks will be using the OAN figure from the Berkshire Study (October 2015) or whether they are proposing to commission ORS to do further work to identify an OAN based on a different HMA. Clarification is sought from South Bucks.

Irrespective of what HMA South Bucks are in, the starting point is for South Bucks is to show how they will meet the housing need within the housing market area. If the new

evidence shows that they are in two HMAs, then the PAS note indicates that they will need to carefully consider how they potentially use two OAN figures when deriving a housing target and will very carefully need to consider how they can provide a deliverable supply of sites.

Conclusions

The March 2015 Buckinghamshire HMA and FEMA report and the October 2015 Berkshire SHMA report both identify that South Bucks has stronger ties with Berkshire, in terms of housing market area. Stronger evidence is sought from South Bucks to demonstrate that they are not within a housing market area that comprises some of the Berkshire LPAs.

Clarification is also sought from South Bucks as to what OAN figure they will be using (in addressing the OAN figure in the Berkshire SHMA) when progressing any Local Plan and how housing will be delivered to meet the housing need within the HMA. .

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	N/A	N/A	N/A
Next Financial Year (Year 2)	N/A	N/A	N/A
Following Financial Year (Year 3)	N/A	N/A	N/A

Other financial information relevant to the Recommendation/Decision

Cross-Council Implications (how does this decision impact on other Council services, including property and priorities?)

SUMMARY OF CONSULTATION RESPONSES	
Director - Resources	Graham Ebers – No comment
Monitoring Officer	Andrew Moulton – No comment
Leader of the Council	Keith Baker - I fully support the recommendations

List of Background Papers
HMAs and FEMAs in Buckinghamshire – The impact of a Joint Plan for Chiltern and South Bucks

Housing Market Areas and Functional Economic Market Areas in Buckinghamshire and the surrounding areas March 2015

Planning Advisory Service - Objectively Assessed Need and Housing Targets
Technical advice note, July 2015

Presentation of the findings of the Berkshire and South Bucks Strategic Housing Market Area 2015 -

<http://www.wokingham.gov.uk/EasySiteWeb/GatewayLink.aspx?allId=372976>

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