

# Agenda Item IMD42

## INDIVIDUAL EXECUTIVE MEMBER DECISION REFERENCE IMD: 2015/42

<b>TITLE</b>	<b>Wokingham Borough Council's response to the consultation on the Central Buckinghamshire Draft Housing and Economic Development Needs Assessment</b>
<b>FOR CONSIDERATION BY</b>	John Kaiser, Executive Member for Planning & Highways
<b>ON</b>	9 December 2015
<b>TIME</b>	3pm
<b>WARD</b>	None specific
<b>DIRECTOR</b>	Heather Thwaites, Director for the Environment
<b>VENUE</b>	Room SF2, Wokingham Borough Council Offices, Shute End, Wokingham

### **OUTCOME / BENEFITS TO THE COMMUNITY**

That the Central Buckinghamshire Housing and Economic Development Needs Assessment has minimal negative impacts upon the Wokingham Borough and that any positive benefits are maximised through the duty to co-operate.

### **RECOMMENDATION**

The Executive Member for Planning and Highways:

- 1) approves the comments outlined in the report; and
- 2) that they are submitted as a formal response to the consultation on the Central Buckinghamshire Housing and Economic Development Needs Assessment 2015.

### **SUMMARY OF REPORT**

The report raises concerns that the Objectively Assessed Need for the local authorities in the Central Buckinghamshire Housing Market Area (HMA) and the overall Central Buckinghamshire HMA appears not to have been accurately calculated. **Error! Bookmark not defined.**

**Background:**

Under paragraph 47 of the National Planning Policy Framework (NPPF) 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.”*

And under paragraph 008 of the National Planning Policy Guidance (NPPG), it states that:

*“Needs should be assessed in relation to the relevant functional area, i.e...functional economic area in relation to economic uses.”*

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.

The report that is currently being consulted on is the Central Buckinghamshire Housing and Economic Development Needs Assessment (HEDNA) which objectively assesses the housing and economic need across the Central Buckinghamshire Housing Market Area (HMA) and Functional Economic Market Area (FEMA).

**Analysis of Issues:**

What should the OAN comprise?

The overall OAN for all three local authority areas and for the Central Buckinghamshire HMA should consist of three main components:

- i. Demographic need,
- ii. Employment led need
- iii. Affordability adjustment.

The Central Buckinghamshire HEDNA has identified that an upwards adjustment should be made to the housing need for all three local authority areas in order to support the future increase of jobs. The assessment has also identified an affordability issue in all three local authority areas and therefore an upwards adjustment should be made.

What does the OAN comprise?

The calculation for the OAN should be as follows:

Demographic led need + Employment led need + affordability adjustment = OAN

The following matrix shows which of these three main factors have been taken into consideration and which ones have not to derive the overall OAN for the local authority areas and the overall Central Buckinghamshire HMA. The ticks show what factors have

been taken into account, and the crosses show what factors have not been taken into account.

	Aylesbury Vale	Chiltern	Wycombe	Central Bucks HMA
Demographic need	✓	✓	✓	✓
Employment led need	✓	×	×	×
Affordability adjustment	×	✓	✓	×

As shown by the above matrix, not all of the three main factors have been accounted for in the overall OAN figure for Aylesbury Vale, Chiltern, Wycombe and the Central Buckinghamshire HMA. Furthermore, it is apparent that the suppressed household formation rates have not been taken into consideration either. Therefore the OAN for the three Central Buckinghamshire authorities and Central Buckinghamshire HMA has been calculated inaccurately.

How does the inaccuracy of the calculation of the OAN affect Wokingham Borough?

Central Buckinghamshire HMA adjoins the Western Berkshire HMA which Wokingham Borough is within. It is important for strategic planning matters that the OAN is calculated properly because if Central Buckinghamshire HMA is unable to accommodate all of its housing need, they may potentially look to adjoining HMAs to accommodate any unmet housing need, for example, the Western Berkshire HMA.

What are we seeking?

Clarification is sought on why the Central Bucks HEDNA does not take into account all three main factors when calculating the OAN for the three local authorities of Aylesbury Vale, Wycombe and Chiltern and the OAN for Central Buckinghamshire 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)	There are no direct costs associated	N/A	N/A
Next Financial Year (Year 2)			
Following Financial Year (Year 3)			

### Other financial information relevant to the Recommendation/Decision

N/A

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

### SUMMARY OF CONSULTATION RESPONSES

<b>Director - Resources</b>	No comment
<b>Monitoring Officer</b>	No comment
<b>Leader of the Council</b>	I fully support the objections raised by officers. An accurate assessment of need is critical for any authority as it forms the basic building block of any future local plan

### List of Background Papers

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

Central Bucks Draft Housing and Economic Development Needs Assessment Report – October 2015

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