

# Agenda Item IMD10

## INDIVIDUAL EXECUTIVE MEMBER DECISION REFERENCE IMD: 2016 / 10

<b>TITLE</b>	<b>Joint response from Wokingham Borough Council and Reading Borough Council on the Initial (Regulation 18) Incorporating Issues and Options consultation regarding the Chiltern and South Bucks Local Plan</b>
<b>DECISION TO BE MADE BY</b>	<b>John Kaiser, Executive Member for Planning and Highways</b>
<b>DATE AND TIME</b>	29 February 2016 11am
<b>WARD</b>	Non-specific
<b>DIRECTOR</b>	Heather Thwaites, Director of Environment
<b>REPORT TO BE PUBLISHED ON</b>	19 February 2016
<b>VENUE</b>	Room SF1, Council Offices, Shute End

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

That the final Chiltern and South Bucks Joint Local Plan ensures that there are minimal negative impacts upon Wokingham Borough and Reading Borough and that any positive benefits are maximised.

### **RECOMMENDATION**

The Executive Member for Planning and Highways

- 1) approves the comments outlined in this report which is to object to some of the statements made in the Issues and Options consultation document; and
- 2) that they be submitted as a formal response to the consultation from Chiltern and South Bucks on their Issues and Options consultation on their local plan.

### **SUMMARY OF REPORT**

This report details the proposed response of Wokingham Borough Council and Reading Borough Council to the Initial (Regulation 18) Consultation Incorporating Issues and Options regarding the Chiltern and South Bucks Local Plan

The content of this report includes the following:

- The Councils are unable to support Chiltern and South Bucks regarding the definition of the Berkshire Housing and Economic Market Areas
- The Councils are unable to support the conclusion that the Chiltern and South Bucks local plan area is within the Central Buckinghamshire Housing Market Area
- The Councils are seeking clarification regarding the calculation of the Objectively Assessed Need within the Buckinghamshire Housing and Economic Development Needs Assessment
- The Councils are seeking further information on Chiltern and South Bucks ability to meet its Objectively Assessed Need

## Background

The evidence underpinning the housing requirement within a local plan must be based upon full objectively assessed need as stated in paragraph 159 of the National Planning Policy Framework. Paragraph 47 of the NPPF states that the local plan must meet the full OAN in the housing market area... The OAN is assessed at the functional housing market area.

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 also concluded that South Bucks should be within a Slough and Reading HMA consisting of the local authority areas of South Bucks, Reading, Wokingham, Bracknell Forest, West Berkshire, Slough and RBWM.

In October 2015, the main findings of the Berkshire (including South Bucks) Strategic Housing Market Assessment (SHMA) were made publicly available in the form of a power point presentation. The Berkshire (including 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.

Chiltern and South Bucks Council decided in November 2015 to produce a joint local plan. The consultation currently taking place is an Issues and Options consultation on their joint local plan. The purpose of the Issues and Options consultation is to seek views on the scope of the plan, what the plan should seek to address and to help inform the plan vision, development strategy and plan objectives.

## Analysis of Issues

### The Berkshire Housing and Economic Market Areas

In paragraph 2.3 f) of the Regulation 18 consultation document it is stated that, “*The Berkshire housing and economic market areas under a ‘best fit’ approach are considered to comprise all six of the Berkshire authorities within single market areas.*” The findings of the Berkshire (including South Bucks) Strategic Housing Market Area (SHMA) report demonstrates that the ‘best fit’ housing market areas for the study area are a Western Berkshire Housing Market Area (HMA) and an Eastern Berkshire plus South Bucks HMA. The Berkshire Authorities consider that the evidence within the Berkshire (including South Bucks) SHMA contains the most robust analysis. Furthermore, evidence in the Buckinghamshire HMA and FEMA March 2015 report also demonstrates that South Bucks has stronger ties with the Eastern Berkshire HMA authorities than any of the other

Berkshire Authorities. Therefore Chiltern and South Bucks’ own evidence supports the findings within the Berkshire (including South Bucks) SHMA and the Berkshire Authorities do not consider the statement in paragraph 2.3 f) of the Regulation 18 consultation document to be credible.

**Chiltern and South Bucks within the Central Buckinghamshire HMA**

Paragraph 2.3 e) of the Regulation 18 consultation document states that, “*The ‘best fit’ for a Chiltern and South Bucks Local Plan is a Buckinghamshire Housing Market Area and Functional Economic Market Area comprising Chiltern, South Bucks, Wycombe and Aylesbury Vale districts.*”

Wokingham Borough Council and Reading Borough Council consider that the information provided within the October 2015 report (which supports this statement) does not demonstrate a comprehensive analysis to justify the conclusion that the joint plan area of Chiltern and South Bucks is within the Central Buckinghamshire HMA. The consultants (ORS) state that the October 2015 note is meant to be read in conjunction with the March 2015 report and that the October report is only meant to show the conclusions relating to ‘best fit.’ However, Wokingham Borough Council and Reading Borough Council still do not consider this to be the most robust approach to defining a ‘best fit’ HMA as there is not a comprehensive analysis at the local plan geographical scale of house prices and rates of change in house prices, household migration and search patterns and contextual data (for example, travel to work area boundaries). All of these above factors should be taken into consideration when defining a Housing Market Area according to National Planning Policy Guidance. There is also no mention of commuting or migration self-containment rates within the October 2015 report 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 and Reading Borough Council therefore has concerns regarding the conclusion that the ‘best fit’ for the joint local plan area is within the Central Buckinghamshire HMA as the evidence available to support this conclusion is not considered to be robust enough.

**Calculation of the Objectively Assessed Need (OAN)**

The Buckinghamshire Housing and Economic Development Needs Assessment (HEDNA) is inaccurate in its arrival at an OAN. There is inconsistency between the narrative on page 155 and 156 and figure 123. The text mentions that suppressed household formation rates have been calculated into the overall OAN. However within Figure 123, suppressed household formation rates are omitted from the final OAN. Clarification is sought on this matter. Below is a table including the calculated OAN for South Bucks in the Buckinghamshire HEDNA and the OAN within the Berkshire (including South Bucks) SHMA for comparison:

Buckinghamshire HEDNA OAN for South Bucks per annum	Berkshire (including South Bucks) SHMA OAN for South Bucks per annum
352	376

As the above table shows, the OAN per annum figure for South Bucks is higher in the Berkshire (including South Bucks) SHMA than the OAN figure within the Buckinghamshire HEDNA.

### **Ability to meet OAN**

Paragraph 3.2 of the consultation document states that the Housing and Economic Land Availability Assessment is not complete and is work in progress. It is therefore not yet clear whether the joint plan area of Chiltern and South Bucks will be able to meet its Objectively Assessed Need. Further clarification is needed on this point in light of the starting point in paragraph 47 of the NPPF. Paragraph 4.12 of the consultation document explains that Chiltern and South Bucks may not be able to take all of its need within the joint plan area, and may look to adjacent local authority areas such as those in Berkshire to accommodate some of its unmet need, albeit at a limited level due to Berkshire and other adjacent areas having their own development needs. In paragraph 4.12 it is set out that this issue will be discussed further through the Duty to Cooperate, but clarification is sought about this matter. Paragraph 4.13 states that at this stage of the Joint Local Plan process there appears to be no scope within the plan area for the councils to be able to meet any unmet needs from adjacent areas. As stated in paragraph 4.13 though, this will need to be kept under review.

### **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**

N/A

<b>Cross-Council Implications</b>
N/A

<b>SUMMARY OF CONSULTATION RESPONSES</b>	
<b>Director – Finance and Resources</b>	No comments
<b>Monitoring Officer</b>	No comments
<b>Leader of the Council</b>	No comments

<b>List of Background Papers</b>
<p>The Chiltern and South Bucks Issues and Options (Regulation 18) document can be found here: <a href="http://www.southbucks.gov.uk/planning/localplan2014-2036">http://www.southbucks.gov.uk/planning/localplan2014-2036</a></p> <p>The evidence bases supporting the information within the Chiltern and South Bucks Issues and Options (Regulation 18) document can be found here: <a href="http://www.southbucks.gov.uk/planning/localplan2014-2036/evidence">http://www.southbucks.gov.uk/planning/localplan2014-2036/evidence</a></p>

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<b>Date</b> 20 February 2016	<b>Version No.</b> 2

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