

## CITY OF YORK LOCAL PLAN

### MATTER 2: THE HOUSING STRATEGY

#### STATEMENT BY FULFORD AND HESLINGTON PARISH COUNCILS

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#### The Housing Market Area (HMA)

##### Q2.1: Identification of the Appropriate HMA

- 1 The York HMA extends well beyond the boundaries of the City of York into the districts of East Riding, Harrogate, Ryedale and Selby. The SHMA Update [SD050] conclusion that York and Selby are a single housing market is because the appraisal has examined whole districts only and not parts. Such an exercise is inappropriate in the Greater York context because of the size and geographies of the surrounding Districts. For example, the northern part of East Riding is heavily influenced by York whereas the southern and eastern parts are more influenced by Hull and Beverley. This fact is disguised by analysing only District-wide figures. SD050's exercise is also contrary to the relevant Planning Practice Guidance (2a-010-130729) which emphasises that many HMAs "*will in practice cut across various local planning authority administrative boundaries*" and the identification of the appropriate HMA should take this into account. Therefore the SHMA's identification of the HMA is not based on robust evidence.

#### The Objectively Assessed Housing Need (OAHN)

##### Q2.2: The OAHN and the Housing Trajectory

- 2 Fulford Parish Council (FPC) considers that the 2019 GLH Report [EX/CYC/9] does not provide a robust evidential basis to establish the OAHN for the reasons set out under Q2.3.
- 3 Q2.2b refers to the total housing target of 13,152 dwellings identified in the Modified Trajectory [EX/CYC/16]. For the record, this figure does not provide for the housing need of adjoining districts. However it does include 32dpa (512 dwellings) for a so-called 'inherited shortfall' from the period 2012 to 2017 in addition to the identified OAHN (and Policy SS1 requirement) of 790dpa for 2017-2033. FPC considers there is no justification for such an addition.
- 4 Firstly, the proposed addition of 32dpa is not consistent with the wording of Policy SS1 which simply states that the policy intention is to "*deliver a minimum annual provision of 790 new dwellings over the plan period to 2032/33.*" SLP page 1(i) confirms that the start of the plan period is 2017. If there is an intention to add a further 32dpa to the annual target for an

inherited shortfall from before the start of the plan period, this should have been clearly stated in the policy (and included within the requirement) which it is not.

- 5 Secondly there is no evidence that there was any shortfall against housing needs over the period 2012 to 2017. Dwelling completions in this period were 3432 dwellings compared to the highest estimate of demographic need by GLH for the five years of 3395 dwellings (679dpa). Any needs arising from past job growth would have already been met by the existing housing stock either in York or elsewhere.

### **Q2.3: The Methodology for Deriving the OAHN**

- 6 FPC considers that the methodology used to establish the OAHN (in EX/CYC/9) is not fully consistent with relevant national policy and guidance (as contained in NPPF1 and Planning Practice Guidance issued up to July 2018).

#### **Demography**

- 7 FPC agrees with EX/CYC/9 that the 2016-based SNPP for York should be preferred to the 2014-based SNPP. This is consistent with the relevant PPG which makes clear that the latest available official projections should be used. It is also consistent with recent migration and other trends (as EX/CYC/9 demonstrates). FPC also agrees that the 2016-based SNHP for the City results in a need of approximately 484dpa over the plan period and that this figure should be used as the starting-point for assessing OAHN.
- 8 EX/CYC/9 produces two variant household projections based upon the 2016-based SNPP. One uses the headship rates (HRRs) contained in the 2014-based SNHP (described as '2014-SNHP HRRs') which produces an OAHN of 629dpa. The other uses the 2014-based SNHP but with a part-return to long-term trends for certain age-groups (described as '2014-PRT') which produces a possible OAHN of 679dpa. EX/CY/9 says the latter projection should be preferred over the official demographic starting-point. FPC disagrees.
- 9 The relevant PPG makes clear that the latest SNHPs should provide the starting-point estimate of the OAHN. They are said to be "*statistically robust and are based on nationally consistent assumptions*". They should only be departed from "*to reflect factors affecting local demography and household formation rates which are not captured in past trends*" (2a-015-130729) Moreover, any local changes would need to be "*clearly explained and justified on the basis of established sources of robust evidence*" (2a-017-130729).
- 10 EX/CYC/9 provides no evidence about local demography or local household formation rates which would justify departing from the official Government projection. At the highest, its preference for the use of the (third) PRT scenario is based upon an aspiration that HRRs should

increase which is not specific to York or any other local authority area (paragraphs 2.28 and 2.29).

- 11 FPC's conclusion is that GLH's reliance on the PRT scenario to derive the OAHN as part of the 'economic-led housing need' (paragraphs 3.18 and 3.19) is not supported by the type of evidence required by Government guidance. In reality, if additional housing is required to improve affordability for younger age-groups, this should be reflected in the market signals adjustment and not the household formation rates. To do otherwise would be double-counting.

### **Market Signals**

- 12 EX/CYC/9 proposes a market signals adjustment of 15%. FPC accepts that some market signals adjustment is appropriate but considers that this should be of the order of 10%, the same as recommended by GLH in its SHMA Update of September 2017. There is no new information in EX/CYC/9 which would justify an increase above the original recommendation. In particular, the January 2019 GLH report shows that house price increases in York have been less than the national average since 2008; median rental increases over the past five years have also been less; and the lowest quartile affordability ratio is less than the national average. The report makes much of the fact that the lowest quartile rents have increased faster than the English average, but any one-year figure in isolation is of little significance. Over the past 5 years the difference is not great (14% cf 11%). It must also be remembered that the past 5 years saw a major surge in student numbers in York (created by the opening of the Heslington East Campus) which placed heavy demands on the lower-priced end of the housing rental market. This surge is now coming to an end.

### **Employment Trends**

- 13 EX/CYC/9 says that employment trends justify a figure higher than the demographic starting point, referring to an employment projection contained in the ELR Update of September 2017 which suggests that the "*economic growth potential*" in the City of York is 650 jobs per annum over the period 2014-2031. Using a series of fairly questionable assumptions (which are not detailed) about changes in future unemployment rates, commuting ratios and economic activity rates and (very importantly) applying the PRT scenario HRRs, it derives an economic-led housing need of 790dpa. This need is some 63.2% more than the official demographic starting point derived from the 2016-based SNPPs and SNHPs. EX/CYC/9 later says that this 'economic-led housing need' should be used as the OAHN for the Local Plan (para 11).
- 14 FPC considers that an increase of this scale in the OAHN above the official demographic starting point on the basis of a single employment forecast for York cannot be justified. Economic projections looking forward 15 or 20 years are notoriously unreliable, even at the

national or regional level because of the potential of unforeseen events and influences such as economic slowdowns and recessions, new technologies, changes in Government policies, and disruptions to international trade. Long term economic projections for small areas such as a local authority area are even more unreliable because they can be heavily affected by the unilateral decisions of large organisations which are often unrelated to national economic trends. The announced closures of Imphal and Strensall Barracks are examples. The uncertainty about future employment levels is made clear by various health warnings in the ELR (SD063 & SD064) and why a range of job outcomes is given. It is also why the PPG makes clear that undue reliance should not be placed on employment forecasts alone to assess the amount and type of employment land required, saying that "*local authorities should develop an idea of future needs based on a range of data which is current and robust*" (2a-032-130729). If this is Government guidance for assessing employment land requirements, there is even less credibility on using a single and increasingly out-of-date employment forecast as the sole justification for a very large increase in the housing requirement above demographic needs.

- 15 We must also re-emphasise that the 790dpa economic-led housing need is based upon the unrealistically high 2014-based PRT HRRs. The 650pa job increase would be met by a housing requirement of only 590pa if the HRRs contained in the 2016-based SNHP for York are used instead. In other words the 790dpa figure for the OAHN is dependent not only a very ambitious job forecast but also very high rates of household formation which are not in accordance with the latest official projections.

### **Affordable Housing**

- 16 FPC agrees with EX/CYC/9 that a "*modest*" uplift to the demographic-based need figure may be justified to improve the delivery of affordable housing. However it must also be remembered that by far the largest element of the identified affordable housing need is made up of newly forming households [SD050 Table 34]. An estimate of these should be derived from the latest SNHPs. However the 573 dwellings figure comes from the 2012-based SNHP which EX/CYC/9 has not sought to update in the light of the much lower 2016-based SNHP. As such the figure is highly questionable.

### **Conclusion**

- 17 FPC considers that the 790dpa is not the result of using a robust methodology. In the absence of better evidence, FPC considers the OAHN should be based upon the demographic starting-point (484dpa) plus 10% for market signals and improving affordable housing delivery. This would give an OAHN of 532dpa which is not dissimilar to the 590dpa which the economic-led need would indicate using the 2016-based HRRs.

## **Q2.4: Relationship between Jobs and Homes**

18 See above

## **The Housing Requirement**

### **Q2.5a: Policy SS1 Wording**

19 FPC considers that Policy SS1 should be amended to read 'deliver a minimum annual average net provision' over the plan period, thereby avoiding any implication that the housing figure must be met in every year.

### **Q2.5b: The Plan Period**

20 See answer to Q2.2.

### **Q2.5c: Timescale of Policy SS1**

21 FPC considers that Policy SS1 should not refer to a housing requirement extending beyond the end of the plan period in 2032/33.

22 For the purposes of NPPF1 (82 & 83) we agree that the Council needs to take a view of what development requirements may be beyond the plan period. However this view should not be expressed in policy, not least when the figure given has a flawed evidential basis. For the record, the jobs forecast on which the post-2033 OAHN of 790dpa is solely based has an end-date of 2031 (Table 2 of SD063). There is no jobs forecast beyond 2031.

### **Q2.5d: The Housing Requirement**

23 See above

### **Q2.5e: The Housing Requirement and Supply**

24 In light of the conclusions of EX/CYC/9, FPC considers that the Council should have reduced the housing supply to match the lower housing requirement. However it has not done so. The only change is the deletion of the Strensall Barracks sites (which was not for housing supply reasons). FPC considers that this goes to the question of "*exceptional circumstances*" (see our Matter 3 statement).

## **Q2.6: Affordable Housing**

25 NPPF1 does not require that all affordable needs have to be to be met by the housing requirement if this would give rise to an unachievable figure.

## **Q2.7: Justification for the Housing Requirement**

- 26 For the above reasons, FPC considers that 790dpa OAHN is not supported by robust evidence. However, even if this or a higher OAHN figure is accepted, the Council would still need to undertake the exercise required by NPPF1 paragraph 14, 2<sup>nd</sup> paragraph, 2<sup>nd</sup> bullet point to assess whether the adverse impacts of fully meeting the OAHN "*would significantly and demonstrably outweigh the benefits, when assessed against the policies in (the) Framework taken as a whole, or would conflict with "specific policies in (the) Framework."* There is no evidence which indicates that the Council has carried out this exercise. In particular, the Council has produced no documentation which assesses the cumulative impacts of the proposed housing provision on the York Green Belt (including the primary purpose of preserving the setting and special character of the historic city) or the environment of the City. This failure to carry out the paragraph 14 exercise is a major shortcoming in the evidence base, especially for a City of international conservation importance where previous housing requirements have always been set at levels specifically intended not to harm its special qualities.
- 27 FPC considers that the proposed housing requirement would conflict with NPPF1(14). For the reasons set out in our Matter 3 Statement we consider that the adverse impacts on the Green Belt and the City's environment would be very substantial and outweigh the benefits of fully meeting housing needs. Substantial weight must be placed on this harm because of York's importance as a "*world-famous historic city*" (SLP para 1.12). In addition, the scale of housing release proposed would so damage the primary purpose of the Green Belt that it would conflict directly with NPPF1(80). If there is any doubt on this matter, we refer to EX/CYC/18 which shows the SLP housing proposals resulting in the substantial loss of land which is identified as being required to be kept permanently open for Green Belt purposes. As such there are "*specific policies*" of the Framework which indicate that development should be restricted. Footnote 9 to paragraph 14 makes clear that Green Belt is one of those specific policies.
- 28 Until all Green Belt and environmental issues have been discussed, FPC considers that no final conclusion can be reached about the appropriate figure for the housing requirement (as opposed to the OAHN).

## **The Spatial Distribution**

### **Q2.8: Spatial Principles of Policy SS1**

- 29 Policy SS1 does not provide a coherent spatial strategy. In particular it provides no basis for resolving the potential conflict between the objectives contained in the five principles and meeting the development requirements contained in the first part of the policy.

## Q2.9 : The Spatial Distribution of Housing Proposals

- 30 The SLP does not provide any clear indication of the distribution of new housing between different parts of the City. It also does not provide any justification for the proposed distribution, and in particular why development is concentrated in some areas (such as the south-east quadrant) and not in others (such as the south-west and west). There is no strategic overview and no assessment of key cumulative impacts on the areas where development is concentrated, including on Green Belt, landscape, traffic, air quality and congestion. The SA is virtually silent on this matter, only looking at the impacts of individual proposals. There are cursory references only to cumulative impact and these are mainly in relation to the City as a whole.
- 31 FPC is particularly concerned about the impacts on the south-eastern quadrant of the City where there is a large concentration of major housing and other proposals. The area has already been significantly impacted by the development of the University East Campus and the start of the Germany Beck housing development (655 dwellings) along with the continuing incremental expansion of the retail and leisure offer at the York Designer Outlet. The SLP is now proposing further major developments in this part of the City at ST4: Hull Road (211 dwellings), ST15: West of Elvington Lane (3339 dwellings), ST36 Imphal Barracks (600 dwellings) and ST27 University of York Expansion (21,500 sq.m. of B1 employment floorspace). The cumulative impact of these proposals (and their associated transport and other infrastructure) would cause major adverse harm to the character of this part of the City, including the quality of life of its residents. There would not only be a significant loss of open land and visual outlook but also greatly increased traffic congestion, traffic noise, air pollution and community traffic severance.
- 32 In particular, the increased traffic arising would seriously damage the special character of the designated Fulford and Heslington Conservation Areas. These adverse impacts (which are not identified in the evidence base, including the SA) would conflict with NPPF1(126) which requires that LPAs should set out in their Local Plan "*a positive strategy*" for the conservation and enjoyment of the historic environment. The negative impacts would also be in conflict with the statutory duties for plan-makers under Sections 66 and 72 of the 1990 Listed Buildings Act
- 33 The only evidence presented by the Council on traffic impacts is contained in SLP Table 15.1 which compares future travel times with a 2016 baseline figure. This paucity of highway evidence is remarkable for a plan which has such major development proposals that will significantly impact upon both the strategic and local road network of the City. Furthermore, without future traffic flows, it is impossible for an accurate assessment to be made of impacts upon air quality or traffic noise within the City. In any event, SLP Table 15.1 shows the A19

through Fulford experiencing a much greater increase in travel times during the plan period than any other major radial route into York. The A1079 Hull Road would also see very substantial increases. In looking at these figures, it must be remembered that the A19 is already operating at capacity for much of the day and is part of designated AQMAs. Moreover, Table 15.1 takes no account of the post-plan period development intended for ST36 Imphal Barracks (500 dwellings) and ST15 West of Elvington Lane (959 dwellings).

#### **Q2.10: Soundness**

- 34 For the above reasons, FPC considers that the SLP spatial distribution is not justified and is not sound.