

# **NOTICE OF MOTION: Strategic Housing Market Assessment (SHMA)**

## **OFFICER BRIEFING NOTE**

Notice of motion received from Councillors Hamilton-Cox, Brookes and Caroline Jackson.

This council notes that the 'Turley report' (Lancaster Strategic Housing Market Assessment (SHMA), October 2015) recommended a requirement to plan for 13000-14000 new homes between 2011 and 2031 in the district. This council also notes that the recommendation underpinned the identification of potential urban extensions - on top of extensive sites identified in the latest iteration of the Strategic Housing Land Availability Assessment, which have not been explicitly consulted upon – which were the focus of the recent public consultation.

This council recognises that the potential implications of over-allocating land for housing for distinct communities across the district, and for the environment, are severe.

This council further notes that a number of other local authorities have commissioned independent reviews of the SHMA to ensure that it provides a sound basis for the identification of objectively assessed housing need.

Accordingly this council resolves that,

Prior to officers drafting land allocation proposals to meet Turley's housing requirement recommendation, that recommendation [and the SHMA from which it derives](#), be subject to review by a third party which has a university base or established academic standing in assessing the factors behind the sound determination of a local authority's housing requirement.

Addendum to motion from proposer and seconders

*There is a significant risk that the Turley recommendation, if adopted, would lead to a very considerable over-allocation on the basis of forecasts for job creation, and projections for population and household formation, which are disconnected from recent trends and which incorporate assumptions which are not sufficiently tested in Turley's analysis. At this stage market signals do not indicate the need for a step-change in house-building targets and there is a risk that necessary regeneration of brownfield sites in the district is prejudiced by over-allocation. All members owe it to the communities affected by the allocations in both the consultation and in the Strategic Housing Land Availability Assessment to re-appraise the assumptions used so council can be sure that allocations of greenfield land for housing on such an unprecedented scale are the result of a process of evaluation grounded in reality.*

*There is no question that land needs to be allocated for future development. The question is how much. When that is more confidently established, members can decide more rationally where it should be allocated across the district.*

## **Officer comments**

Members' ongoing concerns about the level of growth which has to be built into the forthcoming Local Plan are understood given the importance of this issue. Officers have to advise against adding further steps into the decision making process at this late stage. The council is beginning to run a very real risk of being one of the first tranche of local planning authorities to have its Local Plan prepared by the Government.

The Strategic Housing Marketing Assessment 2015 is an independent study commissioned from Turley Associates who are acknowledged as one of the UK's most experienced providers of this specialist activity.

The work has been undertaken using the approved national methodology for this form of evidence base to meet the requirements of the National Planning Policy Framework. The 2015 version of the SHMA was prepared in response to detailed concerns by members after criticism of the original 2013 version and has taken the opportunity to use more up to date population and economic forecasting.

The 2015 SHMA has already been examined by Paul Tucker QC leading counsel in planning matters in the North West with considerable experience of challenging Local Plans, and by the Governments Planning Advisory Service. (Note PAS used Peter Brett Associates to examine the council's evidence base. The actual authors of the Government methodology). Both advise the City Council that this work is sound.

It is fully acknowledged that the SHMA and its recommendations plan for a level of growth which has not been seen in Lancaster District in recent years. The requirements of the National Planning Policy Framework are not policy neutral however and for the council to secure approval of a sound Local Plan it must have embedded in that plan provision for increased levels of growth to occur.

The SHMA considers a number of options and has a grounding in reality. It does not advocate planning for the highest projections of growth covered by some predictive scenarios. It recommends instead a level of growth higher than seen during the recent decade where growth has been proven to be restrained, but lower than predictions considered to be unrealistic.

Allocation of land by itself does not lead to development, but it does lead to more choice to enable consistent delivery. Most of the remaining brownfield sites now being used up have been allocated for over a decade. Land allocated but unused will simply be rolled forward into reviews of the Local Plan.

A plan with provision for growing space has a safety net in case higher growth occurs, and will secure support from the Planning Inspectorate. A plan pared down to the absolute minimum considered necessary will not.

What is crucially important is for the council to adopt a plan facilitating growth if the conditions are right for it to occur. Not to do so will have serious consequences for the council which are rapidly approaching.

The Prime Minister has made it clear that councils without an adopted Local Plan by 2017 run the risk of the Government preparing a new Local Plan for them. The delays to plan making in this district already mean that there is a very tight timetable to progress through the final steps of plan making and submit a Draft Local Plan for examination at the end of 2016. Only if that timetable is kept to can the council avoid its ability to advance its own plan being

removed. The proposal in the motion would inevitably cause further delay in advancing the selection of land allocations.

A number of other issues arise from the motion which members should carefully consider.

- 1) The Turley's SHMA is a published piece of evidence so remains available to the Secretary of State and the development industry to consider in its published form. It can't simply be replaced by another piece of work.
- 2) Any party asked to review the work in the context of the wording of the main part of the motion might not be proven to have done so objectively and hence fail to pass the test of objectivity required of an expert witness in an Examination in Public.
- 3) Officers have already made it clear that they cannot appear as expert witnesses to support a housing target outside the range recommended in the SHMA. This would leave the burden of providing this evidence to nominated elected members.
- 4) This council has already spent considerable resources funding the preparation of a SHMA. It has paid for reconsideration of it in a second round of work, and been advised by independent experts that it is fit for purpose. Council needs to consider whether further expenditure is justified simply because it finds the results of this work uncomfortable.
- 5) Members also need to consider whether there is a conflict of interest in that the motion and request to fund a critique of the SHMA might be criticised by the development industry as public funds being used to support the interests of the many objectors to the plan, rather than being an objective part of evidence base assembly.

#### Section 151 Officer Comments

The Section 151 Officer has been consulted and has no further comments.

#### Monitoring Officer Comments

The Monitoring Officer has been consulted and has no further comments.