

Comments made on the Runnymede-Spelthorne draft SHMA

Rep No	Representor	Summary of comments made	Officer Response
001	Abbie Kirkby-Friends, Families and Travellers	Cannot see anything about gypsies and travellers in the draft SHMA. Can you advise as to whether Gypsies and Travellers and their specific accommodation needs are included in your assessment.	Runnymede Borough Council has done its own assessment on the accommodation needs for travellers. Because this evidence had already been completed when GL Hearn commenced their work, it was decided that this document should be read alongside the SHMA rather than gypsies and travellers featuring again in the document. On reflection however it is considered that it would be sensible to add a new heading for Gypsies and Travellers into chapter 9: Specific Groups of the Population which summaries the key findings of the Runnymede TAA and signposts the reader to the document. This section of the SHMA should also confirm that Spelthorne has not currently carried out such an assessment but has made a commitment to assessing the needs of travellers in their borough as they progress with their local plan work.
002	Equality and Human Rights Commission	<p>The Commission does not have the resources to respond to all consultations, and it is not our practice to respond to consultations on local plans or infrastructure projects unless they raise a clear or significant equality or human rights concern.</p> <p>Local and other public authorities have obligations under the Public Sector Equality Duty (PSED) in the Equality Act 2010 to consider the effect of their policies and decisions on people sharing particular protected characteristics. We provide advice for public authorities on how to apply the PSED, which is an on-going legal obligation and must be complied with as part of the planning process. Thus, the PSED is the mechanism through which public authorities involved in the planning process should consider the potential for planning proposals to have an impact on equality for different groups of people. A link to the relevant technical guidance is provided in the letter.</p>	Noted.

Rep No	Representor	Summary of comments made	Officer Response
003	Health and Safety Executive	We have concluded that we have no representation to make at this stage of your local planning process. This is because there is insufficient information in the consultation document on the location and use class of sites that could be developed. In the absence of this information, the HSE is unable to give advice regarding the compatibility of future developments within the consultation zones of major hazard installations and MAHPs located in the area of your local plan. The HSE would like to be consulted further on local plan documents where detailed land allocations and use class proposals are made, e.g. site specific allocations of land in development planning documents.	Noted. Both Local Authorities will continue to consult the HSE as their Local Plans are progressed.
004	Environment Agency	Confirmed that they have no comments to make on this consultation.	Noted.
005	Commonwealth War Graves Commission	Having read the SHMA consultation pack (dated 1 Jul 15) with great interest, the Commonwealth War Graves Commission (CWGC) wish to make the following comments: -The content of the SHMA is noted. -The CWGC wish to remain involved in the consultation process. -Any future correspondence should be sent to: enquires@cwgc.org marked 'For Attention - UKNA Office'.	Content of representation noted.
006	Office of Rail and Road	We have reviewed your proposals and can confirm that the ORR has no comment to make on this particular document. For future reference ORR only requires to be consulted if the Supplementary Planning Documents, minerals & waste plan, transport plan, planning application, etc mentions or impacts on the mainline railway, tramway or if the proposed development has the potential to affect the risk profile of level crossings.	Content of representation noted.

Rep No	Representor	Summary of comments made	Officer Response
007	Tony Howe-County Archaeologist and Manager	Thank you for sending through the details of this consultation, and affording me the opportunity to comment. Having reviewed the document I can confirm that I have no comments to make from the archaeological point of view.	Noted.
008	Kempton Residents Association	My Association has now had a chance to study the online SHMA report, and at this stage we have no comments to make. We look forward to the next step in the stakeholder consultation process.	Noted.
009	CgMs on behalf of the Kitewood Group	<p>Thank you for inviting me to the Runnymede-Spelthorne SHMA Stakeholders event on Monday 13 July. It was an extremely useful presentation and provided an opportunity to ask questions regarding the SHMA methodology and the information provided in the Final Draft Report, dated May 2015.</p> <p>We have now had an opportunity to consider further the contents of the report which we consider generally follows the correct methodology. We also support the decision of Runnymede and Spelthorne Councils to produce a combined report for this market area.</p> <p>We do, however, consider that it is necessary to consider further the likely migration trends from London and to assess any cross boundary inward and outward migration from neighbouring authorities.</p> <p>We also consider that further modelling needs to be carried out to assess the effect of an expansion at Heathrow Airport which will undoubtedly result in a significant demand for further housing in both Runnymede and Spelthorne with the further employment opportunities within both Boroughs and at Heathrow will also increase housing need.</p>	<p>Noted.</p> <p>Support noted.</p> <p>See comment below re: migration from London.</p> <p>In regard to the possible expansion at Heathrow Airport, although the recommendations of the Davies Commission have been issued, the Government is yet to make a decision on airport expansion (which we are hoping for later this year). Even when a decision on airport expansion has been made by the Government, it will still then be some time before the impact of any proposed expansion at Heathrow on the nearby boroughs can be properly evidenced and understood. As such for the foreseeable future we will not be able to assess the impact of a possible expansion at Heathrow Airport in the SHMA.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Mr McColgan of GL Hearn stated at the event that the SHMA did not include provision in terms of meeting the housing needs of London advising that the Mayor had advised that London would now be able to meet their own housing needs. Reference was made to the examination and recent publication of the Further Alterations to the London Plan as the evidence base for this assumption. However, the Inspector who examined this plan clearly did not agree with this analysis. Mr Thickett states at paragraph 57 of his report that the evidence before him strongly suggested that the existing London Plan would not deliver sufficient homes to meet objectively assessed need and in his view, the Mayor will need to explore options beyond the existing philosophy of the London Plan.</p> <p>The Inspector states at paragraph 56 that the targets set out in Table 3.1 of the Plan will not provide sufficient housing to meet objectively assessed need and he was not persuaded that the First Alterations to the London Plan could ensure that the additional 6,600 dpa will be delivered. He stated that the target rate of 42,000 dpa was significantly higher than had been achieved since 2004 and the boom years before the recession. This shortfall of 6,600 dpa has already increased with the</p>	<p>Officers accept however that when we are further progressed with the preparation of both Boroughs' Local Plans, if expansion at Heathrow does get approved, our evidence may need refreshing to take account of any evidence produced which quantifies what the impacts for the Runnymede-Spelthorne HMA will be. In such a scenario, both authorities will need to work with Heathrow Airports Ltd and neighbouring authorities under the DtC to understand the impact of expansion, the role that improved public transport could play in labour supply and the effect this could have on housing needs. Additional text will be added to the SHMA to clarify the existing situation.</p> <p>The demographic projections used in the draft SHMA all contain natural change (births/deaths) as well as UK and international migration which includes an element from London. This can be seen in the past trends outlined in Figure 38, p66 and projected growth in figure 43, p70. The message given by the Mayor of London is that the FALP will meet London's OAHN within the boundary of London, through the housing targets set out in Table 3.1 of 42,000 per annum and with the provision of augmenting supply to meet the demand of 49,000 per annum in Policy 3.3. Whilst para 57 of the FALP Inspector's report is noted, it is too early to say at this moment how any future London Plan will seek to address OAHN and whether this necessitates higher levels of out migration and what options 'beyond the philosophy' of the London Plan will need to be considered. The Local Authorities of the wider south east are currently engaging with the Mayor through a series of round table discussions to consider how these aspects will be taken forward under the Duty to Cooperate in the next iteration of the London Plan. The point regarding Southwark is noted, however, some London Authorities may exceed their FALP targets which would negate the shortfall from Southwark given that the Inspector agreed that London is a single HMA. Until such time as an up to date iteration of the London Plan has been developed,</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>publication of the Southwark Plan which is showing a shortfall of 1,000 dwellings.</p> <p>With both Spelthorne and Runnymede being so close to London with good public transport services to London we would anticipate a significant increase in outward migration from London to these boroughs during the next 20 years. The modelling as it stands does not seek to change commuting patterns or allow for increased migration from London. We consider this to be a particular weakness of the SHMA.</p> <p>We would also point out that the household projections for London are based on a 5% increase in outward migration and 3% decrease in inward migration.</p> <p>Providing sufficient housing to help to meet the affordable housing needs is a difficult judgement in terms of how much additional private housing should be provided to increase the supply of affordable housing without resulting in too much market housing being provided. Paragraph 47 of the NPPF requires authorities to boost significantly the supply of housing and to use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing.</p>	<p>including engaging with local authorities in the wider south east under the Duty to Cooperate, it is too early to conclude that Spelthorne & Runnymede will see a 'significant' increase in outward migration from London. Outward migration from London will be higher in some local authority areas outside of the London Plan boundary but this does not imply that this will be the case for all local authority areas. This will very much depend on the Plan's strategy in terms of its approach to land supply and what this means for certain restrictive designations. It also depends on whether areas for growth outside of the London Plan boundary can be agreed with authorities in the wider south east under the Duty to Cooperate and what this will mean for the overall level of outmigration and where/when this would occur. This is something which will need to be examined further rather than assume a uniform level of out migration to Spelthorne/Runnymede based on the London SHMA. Further the Inspector in his initial findings on the now withdrawn Local Plan for Uttlesford (Essex) found that the 2012 SNPP projections already reflected in-migration from London. The Inspector was not convinced that unmet need arising from the FALP would bear much weight in assessing OAN as it was unclear what mechanisms, let alone solutions for delivery over the wider south east would be considered in the future. Nevertheless, for completeness, further sensitivity testing will be applied to the SHMA to account for the migration assumptions in the London SHMA.</p> <p>Noted, however para 47 of the NPPF states that the OAHN figure will need to be achieved as far as is consistent with policies set out in the NPPF. Paragraph 14 of the NPPF provides further information, stating that for plan making, local plans should meet OAN unless:</p> <ul style="list-style-type: none"> -any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole; or —specific policies in this Framework indicate development should be restricted (footnote: for example, those policies relating to sites

Rep No	Representor	Summary of comments made	Officer Response
		<p>We consider that the matters below need to be further addressed:</p> <ol style="list-style-type: none"> 1) Need to increase the supply of affordable housing; 2) Likely expansion of Heathrow Airport 3) Likely demand for more employment space; 4) Increased migration from London; 5) Boosting significantly the supply of housing and setting out a housing implementation strategy for the full range of housing that will maintain a 5 year land supply. <p>We consider that having regard to the above the full, objectively assessed housing needs should be reviewed further and that this is likely to result in a figure of circa. 600 homes per annum.</p>	<p>protected under the Birds and Habitats Directives and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space... designated heritage assets; and locations at risk of flooding or coastal erosion). Neither Spelthorne nor Runnymede have yet assessed how much of the OAHN can be sustainably met in their local authority areas. This work will be carried out as the Plans of both Authorities are progressed.</p> <ol style="list-style-type: none"> 1) Need to increase the supply of affordable housing will need to be balanced against how much development can be sustainably met; 2) For the reasons set out above, it is too early to determine the impacts of Heathrow; 3) This will be considered in both authorities employment demand/supply evidence; 4) For the reasons above, it is too early to determine future outmigration from London but further sensitivity testing will be added; 5) Noted, but this will need to be consistent with other policies of the NPPF as explained above. <p>CgMs has submitted no evidence to support their claim that the OAHN should be circa. 600 homes per year. Both Authorities will need to await an updated London Plan strategy and further information on plans at Heathrow if indeed the Government backs the Davies Commission recommendation for expansion at this airport before the impacts of both can be properly considered.</p>
010	Highways England	Having examined the SHMA, Highways England has no comment to make.	Noted.

Rep No	Representor	Summary of comments made	Officer Response
011	Greater London Authority	Thank you for consulting the Mayor of London on the Runnymede Spelthorne Strategic Housing Market Assessment May 2015. GLA officers provided comments in September 2014 for an earlier stage of this SHMA. The Mayor wishes to inform you that he has no comment to make on this document.	Noted.
012	Shepperton Studios	<p>Thank you for the opportunity to comment on the draft SHMA for Runnymede and Spelthorne. As one of the largest employers in Spelthorne, Shepperton Studios primary concern in this respect is that the Borough ensures sufficient housing is delivered to support the economy and local businesses.</p> <p>Shepperton is a world class film and television studios offering all aspects of film and television production including set construction, props and costume making which involve a large number of highly skilled crafts and trades people. The Studios also accommodate over seventy SME's on site that provide equipment and specialist skills and services to the creative industries not just at Shepperton but all over the UK and abroad. It is this geographical cluster of complementary services used in the film making process which makes Shepperton successful and attractive to international film makers.</p> <p>Through our own apprenticeship schemes and in partnership with Skillset and colleges, Shepperton proactively encourages young people to train and advance within this rewarding industry. Clearly, for them to be able to live in the Borough a short distance from their place of work would be more environmentally sustainable and economically advantageous for Spelthorne.</p>	<p>Noted</p> <p>Shepperton Studios contribution to the local economy and its attractiveness to an international market are noted.</p> <p>Noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		Housing affordability is a serious business issue that needs to be urgently addressed by the Borough, and by surrounding local authorities. We urge you to take into account the needs of business and residents when planning for the area.	Noted. The draft SHMA sets out the level of affordable housing need across the HMA and recognises that affordability is an issue. However, the constraints which both authorities face will need to be considered before land supply is determined and a housing target is arrived at.
013	Carter Jonas on behalf of Muse Developments	<p>Muse supports the draft SHMA which it considers properly and fairly assesses the housing need of the Borough. It considers that the findings are robust and emphasise the critical importance of Runnymede identifying sufficient land to meet the calculated requirement.</p> <p>Muse notes that, before issue of the final SHMA, G L Hearn considers it necessary to explore further the level of need deriving from the local economy. Correctly assessing the provision attributable to this factor is very important and Muse considers that the SHMA must properly assess the matter.</p> <p>Finally, Muse considers it important that the final version of the SHMA is based on the very latest data and projections with respect to population growth and household formation. At the time the document is finalised, G L Hearn should ensure that this is the case.</p>	<p>Noted. However meeting needs will have to be balanced against constraints (see response to this point in rep 009 for more information).</p> <p>Noted, the draft SHMA indicates that an update or supplementary report will be required to address future economic/employment forecasts. Both councils are committed to doing this extra work.</p> <p>Noted. It must be acknowledged that the SHMA can only be a snapshot in time and would never be completed if continually awaiting or updating for the latest population/household projections. Paragraph 16 of the PPG note on <i>Housing & Economic Needs Assessments</i> supports this by stating that housing assessments are not rendered outdated every time new projections are issued. However, both authorities realise that an update(s) to the assessment will be required at some point in time, not least to test further economic projections. It is envisaged that it will be at this time that an update or supplementary report will take account of the latest population/household projections. A further update may also be required prior to the EIPs of both authorities. At the current time however the projections used in the SHMA are still considered robust.</p>

Rep No	Representor	Summary of comments made	Officer Response
014	Design Planning on behalf of Barrsbrook Cattery	<p>Thank you for your invitation to the above meeting and your subsequent communication containing the notes on the questions and answers presented during the discussion after the main address on 17th July 2015.</p> <p>I noted that in the address presented by Ian Maguire it was indicated that the green belt land was under review. Could you please confirm when this process may be completed?</p> <p>I would also draw you attention to the appraisal of the above land in the previous review as it contained substantial erroneous descriptions which, despite being drawn to the attention of the Council, still appear to be in place on the present web site documentation. These incorrect facts fact could have a potential detrimental effect should this land, in due course be considered as a potential development site.</p> <p>I noted, at the meeting, that there is a proposed housing requirement of some 560 new homes to be created each year. There is also a requirement for a substantial number of these homes to be of a smaller three bedroom type rather than larger properties.</p>	<p>Noted.</p> <p>The Council commissioned Arup to undertake an independent review of all Green Belt Land in Runnymede to see if there is any land which no longer meets the purposes of including land within the Green Belt or which only performs weakly against the purposes of including land within the Green Belt. This Review was published in December 2014 and can be viewed on the Council's website. The Council has not yet decided whether it wishes to move forwards with any of Arup's recommendations. In addition, officers are currently carrying out a technical review of the Green Belt boundary itself in Runnymede which will ensure that the Green Belt boundary in Runnymede is defensible. This study will be published later this year.</p> <p>This will be a matter for an updated Strategic Land Availability Assessment (SLAA). Runnymede has recently completed its 2015 call for sites.</p> <p>Noted. The draft SHMA sets out prescriptive size requirements for additional housing.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>The proposed above site with its boundaries clearly defined so as not to be used to allow a further spread of development would be able to, potentially, contribute some 40 units to address the proposed requirements.</p> <p>This site was not flooded during the recent storms and access to the motorways and all other transport systems were not impeded whatsoever. In the light of the above comment I would be obliged if you could give further consideration to the above site to be designated for housing development and thus enable the present commercial operation on the site to cease.</p>	<p>This will be considered more fully in the SLAA.</p> <p>This will be considered more fully in the SLAA.</p>
015	Terence O Rourke on behalf of M and G Real Estate	<p>Comments on the Draft SHMA <i>2014 Mid-Year Estimates Updates</i></p> <p>The PPG sets out that in assessing demographic-led housing needs DCLG Household Projections form the overall starting point for the estimate of housing need, but these may require adjustments to reflect future changes and local demographic factors which are not captured within the projections, given projections are trend based (Para 2a-015). In addition, it states that account should also be taken of ONS' latest Mid-Year Estimates (MYEs) (Para 2a-017).</p> <p>The draft SHMA considers the housing needs based on the latest CLG 2012- based household projections over the period 2013 to 2033. It adjusts the projections to take into account the 2013 MYEs. However it should be noted that since the draft SHMA was published, further data has now been released with the 2014 MYEs and the 'starting point' should be updated accordingly.</p>	<p>Noted. It must be acknowledged that the SHMA can only be a snapshot in time and would never be completed if continually awaiting or updating for the latest population/household projections. Paragraph 16 of the PPG note on <i>Housing & Economic Needs Assessments</i> supports this by stating that housing assessments are not rendered outdated every time new projections are issued. However, both authorities realise that an update(s) to the assessment will be required at some point in time, not least to test further economic projections. It is envisaged that it will be at this time that an update or supplementary report will take account of the latest population/household projections. A further update may also be required prior to the EiPs of both authorities. At the current time however the projections used in the SHMA are still considered robust.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p><i>London Migration</i></p> <p>The Further Alterations to the London Plan (FALP) were adopted in March 2015. The FALP is based on population projections produced by the Greater London Authority (GLA) for their London SHMA (2013) and they assume migratory outflows from London increasing by 5% and inflows to London falling by 3%. This assumption varies from that within the national projections. Given the geographical relationship between London and Runnymede/Spelthorne, and the levels of commuting and migration between the two, a manual adjustment needs to be made to ensure this migration from London is accounted for.</p> <p><i>Economic Implications</i></p> <p>The PPG requires that assessments of likely job growth are made, looking at past trends in job growth and/or economic forecasts, whilst also considering the growth in working age population. The potential job growth should be considered in the context of potential unsustainable commuting patterns and as such planmakers should consider how the location of new housing could help address these (Para 2a-018).</p> <p>It is noted that the SHMA utilises employment forecasts from Summer 2013. Given we are now in Summer 2015, and it is likely the plans will be examined in late 2017, it is questionable whether these forecasts will be considered up-to-date. It should be noted that the UK economy has grown by over 4% since Summer 2013 and this should be accounted for within updated forecasts.</p> <p><i>Heathrow</i></p> <p>Since the consultation period began, the Airports Commission have made their recommendations on expanding aviation capacity. The Commission have recommended an expansion at Heathrow, and if Heathrow is to be expanded, this would have major ramifications for economic growth and housing need for both Runnymede and</p>	<p>For completeness, further sensitivity testing will be applied to the SHMA to take account of the migration assumptions in the London SHMA. For further detail please see the officer response on this same point made in rep 9 above.</p> <p>The Experian 2013 forecasts were considered to be up to date when the draft SHMA was produced. However, as is caveated in the draft SHMA, officers acknowledge that further work around economic/employment forecasting is required and this extra work will feed into an update/supplementary report. Therefore the draft SHMA is clear that both authorities intend to undertake further and more up to date economic work.</p> <p>Although the recommendations of the Davies Commission have been issued, the Government is yet to make a decision on airport expansion (which we are hoping for later this year). Even when a decision on airport expansion has been made by the Government, it will still then be some time before the impact of any proposed expansion at</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Spelthorne. Whilst it is accepted that the Government are yet to make a final decision, the political response so far has been positive. At Prime Minister's Questions on the day the Commission made its recommendation, David Cameron committed to a Government decision on expansion before the end of the year. Meanwhile, the Leader of the Opposition reaffirmed Labour's support for a decision to be made 'swiftly'. Since then, a Cabinet sub Committee on aviation has been established to examine how the Government will take forward the Commission recommendations. It looks likely that the position will become clearer as the Local Plans are progressed towards examination. It is felt that, in these circumstances, there should be a greater appreciation within the SHMA as to what the implications may be for the OAN.</p> <p><i>Conclusion</i></p> <p>Overall it is conserved that the draft SHMA does not consider all the necessary factors in order to fully assess the need and demand for housing Runnymede or Spelthorne, particularly in terms of outward migration from London. We trust that the Councils will have regard to these comments when finalising the SHMA.</p>	<p>Heathrow on the nearby boroughs can be properly evidenced and understood. As such for the foreseeable future we will not be able to assess the impact of a possible expansion at Heathrow Airport in the SHMA. Officers accept however that when we are further progressed with the preparation of both Boroughs' Local Plans, if expansion at Heathrow does get approved, our evidence may need refreshing to take account of any evidence produced which quantifies what the impacts for the Runnymede-Spelthorne HMA will be. In such a scenario, both authorities will need to work with Heathrow Airports Ltd and neighbouring authorities under the DtC to understand the impact of expansion, the role that improved public transport could play in labour supply and the effect this could have on housing needs. Additional text will be added to the SHMA to clarify the existing situation.</p>
016	Barton Willmore on behalf of Crest Nicholson	<p>On behalf of our client, Crest Nicholson Plc, Barton Willmore LLP have produced a 'Technical Review' of GL Hearn's draft Strategic Housing Market Assessment (SHMA) for Runnymede Borough Council and Spelthorne Borough Council, which is presently out for public consultation. This Technical Review is provided with this covering letter.</p>	

Rep No	Representor	Summary of comments made	Officer Response
		<p><u>SBC & RBC Note: Barton Willmore Technical Review as set out below.</u></p> <p>3.0 HOUSEHOLD DEMOGRAPHICS</p> <p>3.1. The PPG advises that the starting point for estimating overall need should be the latest household projections produced by the Department for Communities and Local Government (CLG), and that account should be taken of the most recent demographic evidence, including Office for National Statistics (ONS) population estimates.</p> <p>3.2. This section reviews the latest official ONS demographic and CLG household data for Runnymede Borough Council (RBC) and the HMA (incorporating RBC and Spelthorne Borough Council – SBC). The note incorporates the 2013-2033 period identified in the SHMA, and the 2011-2021 period to provide comparison across the past three official ONS and CLG projections.</p> <p>b) RUNNYMEDE BOROUGH COUNCIL</p> <p>i) Office for National Statistics (ONS) sub national population projections</p> <p>3.3 The ONS produces population projections for all local authority areas in England. These are referred to as the Sub National Population Projections (SNPP) and are published by the ONS usually every two years.</p> <p>3.4 The ONS SNPP are trend-based projections. That is, they project forward past demographic trends in births, deaths and migration. They do not take account of any future changes to Government policy which may affect these past trends.</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>Comment noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response																																
		<p>3.5 Table 3.1 (below) sets out the official ONS SNPP in chronological order from the 2008-based series (November 2010) to the most recent 2012-based SNPP (29 May 2014). The ‘interim’ 2011-based SNPP (September 2013) and 2012-based SNPP take account of findings from the 2011 Census of the population.</p> <p>Table 3.1: ONS Sub National Population Projection series, 2013-2033</p> <table><tr><th>Series</th><th>2011</th><th>2013</th><th>2021</th><th>2033</th><th></th><th>2011-2021 (per annum)</th><th>2013-2033 (per annum)</th></tr><tr><td>2012-based</td><td>80,500</td><td>83,000</td><td>90,000</td><td>99,100</td><td></td><td>9,500 (950)</td><td>16,100 (805)</td></tr><tr><td>2011-based</td><td>80,500</td><td>84,000</td><td>94,100</td><td></td><td></td><td>13,600 (1,360)</td><td></td></tr><tr><td>2008-based</td><td>84,800</td><td>86,200</td><td>91,400</td><td>99,700</td><td></td><td>6,600 (660)</td><td>13,500 (675)</td></tr></table>	Series	2011	2013	2021	2033		2011-2021 (per annum)	2013-2033 (per annum)	2012-based	80,500	83,000	90,000	99,100		9,500 (950)	16,100 (805)	2011-based	80,500	84,000	94,100			13,600 (1,360)		2008-based	84,800	86,200	91,400	99,700		6,600 (660)	13,500 (675)	<p>Comment noted.</p>
Series	2011	2013	2021	2033		2011-2021 (per annum)	2013-2033 (per annum)																												
2012-based	80,500	83,000	90,000	99,100		9,500 (950)	16,100 (805)																												
2011-based	80,500	84,000	94,100			13,600 (1,360)																													
2008-based	84,800	86,200	91,400	99,700		6,600 (660)	13,500 (675)																												
		<p>3.6 The latest 2012-based SNPP project the highest population growth of the two full projection series (2008 and 2012-based), but significantly lower over the 2011-2021 period than the ‘interim’ 2011-based ONS SNPP.</p>	<p>Comment noted.</p>																																
		<p>3.7 However it is important to note how the 2012-based SNPP could potentially underestimate population growth across the country. This is due to two reasons; the 2012-based SNPP being constrained to the 2012 National Projections, published in 2013; and the SNPP being underpinned by recessionary trends.</p>	<p>Comment noted.</p>																																

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.8 The SNPP are underpinned by the National population projections. The national projections are based on an assumption of 165,000 net international migrants coming into the UK per annum, and this assumption is projected forward per annum over the full 25 years of the 2012-based SNPP period.</p> <p>3.9 However net international migration of 165,000 people per annum is significantly lower than the recent migration statistics report by the ONS, which shows net international migration of 318,000 people in the year ending December 2014.</p> <p>3.10 Furthermore the 10-year average trend shows net international migration of 240,000 people per annum (2004-2014), and it is important to note how only one of the last 10 years showed a figure of net international migrants that was lower than 200,000 people (177,000 people in 2012).</p> <p>3.11 The net migration underpinning the 2012-based ONS SNPP for RBC equates to an average of 475 people per annum, 2012-2037. However reference to the most recent ONS mid-year estimates shows how both the long-term (2005-2014) and short-term (2009-2014) average is for net in-migration of over double the 2012-based ONS SNPP, at between 950 and 1,000 net in-migrants per annum.</p> <p>3.12 In this context the 2012-based SNPP are considered to be underpinned by assumptions which lead to a significant underestimate of population growth over 25 years (2012-2037). This in turn has directly influenced the 2012-based CLG household projections, which are underpinned by the 2012-based SNPP.</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>Comment noted.</p> <p>Comment noted.</p> <p>There is no evidence that the 2012-based SNPP underestimate future population growth. In fact, charts in the report clearly show that population growth is expected to be somewhat stronger than that seen in long-term past trends.</p>

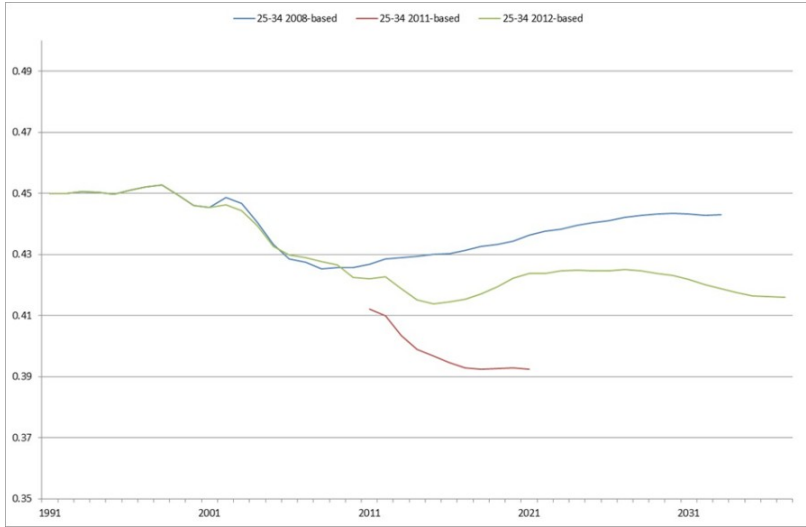
Rep No	Representor	Summary of comments made	Officer Response									
		<p>3.13 It is important to be aware of the issues related to the SNPP because the CLG household projections are derived by applying household representative rates (also known as household formation rates) to the ONS population projections. CLG household projections are discussed from paragraph 3.18 below.</p> <p>ii) Working age population</p> <p>3.14 The 2012-based ONS SNPP projects the broad working age (16-64 years of age) population to grow at a significantly lower rate (approximately 11%) than the total Borough population (approximately 19%), over the 2013-2033 period. Table 3.2 (below) quantifies this by showing working age population growth of 322 people per annum, 2013-2033. This level of working age population growth needs to be considered in the context of forecast/past trends in job growth, and this report considers this issue in detail in the following section.</p> <p>Table 3.2: ONS 2012-based SNPP Working Age Population Change, 2013-2033</p> <table><tr><th></th><th>Total Population</th><th>% Increase</th></tr><tr><td>Population change, 2013 to 2033</td><td>16,100 (+805)</td><td>+19%</td></tr><tr><td>Working Age Population Change (16-64) 2013 – 2033</td><td>+6,440 (+322)</td><td>+11%</td></tr></table> <p>Source: 2012-based SNPP, Office for National Statistics (rounded to nearest 100) Note: Figures may not sum due to rounding</p>		Total Population	% Increase	Population change, 2013 to 2033	16,100 (+805)	+19%	Working Age Population Change (16-64) 2013 – 2033	+6,440 (+322)	+11%	<p>Comment noted.</p> <p>Comment noted.</p>
	Total Population	% Increase										
Population change, 2013 to 2033	16,100 (+805)	+19%										
Working Age Population Change (16-64) 2013 – 2033	+6,440 (+322)	+11%										

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.15 Whilst economic activity is increasing amongst older people (those above 65) across the UK, the proportion who are in employment is still relatively small in comparison to those age 16-64 years. Although there is projected to be significant increase in the 65-74 year old population in Runnymede, this age group cannot be expected to fill a significant proportion of new jobs, particularly in an area of relative affluence such as Runnymede where a significant proportion of people in this age group will be financially secure and won't necessarily need to work.</p> <p>3.16 The PPG states 'where the supply of working age population that is economically active (labour force supply) is less than the projected job growth, this could result in unsustainable commuting patterns' (PPG, ID2a, 018). Therefore the household growth underpinned by the 2012-based ONS SNPP needs to be assessed in the context of working age population growth primarily in the 16-64 age group, with some allowance for activity in those aged 65 and above.</p> <p>iii) Communities and Local Government (CLG) household projections</p> <p>3.17 Table 3.3 (below) sets out the official CLG household projections in chronological order from the 2008-based series to the most recent 2012-based series (27 February 2015). As discussed above the CLG household projections are underpinned by the SNPP.</p>	<p>Comment noted.</p> <p>This was assessed in relation to the economic need including changes to economic activity rates in different age groups.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response																																								
		<table><tr><td colspan="8">Table 3.3: CLG Household Projections, 2011-2021 & 2013-2033</td></tr><tr><td>Series</td><td>2011</td><td>2013</td><td>2021</td><td>2033</td><td></td><td>2011-2021 (per annum)</td><td>2013-2033 (per annum)</td></tr><tr><td>2012-based</td><td>32,670</td><td>33,442</td><td>36,755</td><td>41,560</td><td></td><td>4,085 (409)</td><td>8,118 (406)</td></tr><tr><td>2011-based (interim)</td><td>32,749</td><td>33,971</td><td>38,428</td><td></td><td></td><td>5,679 (568)</td><td></td></tr><tr><td>2008-based</td><td>34,888</td><td>35,645</td><td>38,734</td><td>43,140</td><td></td><td>3,846 (385)</td><td>7,495 (375)</td></tr></table> <p>Source: (CLG) Communities and Local Government</p> <p>3.18 The latest 2012-based CLG household projections show growth of 8,118 households, 2013-2033, equating to 406 households per annum. To reach a dwelling requirement, account needs to be taken of vacancy rates, second homes, and shared dwellings (2.5% in Runnymede), resulting in a dwelling projection of 8,321 dwellings, 2013-2033 (416 dwellings per annum, 2013-2033). As the PPG states the CLG projections should form the ‘starting point estimate’ of overall housing need as part of a full objective assessment of need.</p>	Table 3.3: CLG Household Projections, 2011-2021 & 2013-2033								Series	2011	2013	2021	2033		2011-2021 (per annum)	2013-2033 (per annum)	2012-based	32,670	33,442	36,755	41,560		4,085 (409)	8,118 (406)	2011-based (interim)	32,749	33,971	38,428			5,679 (568)		2008-based	34,888	35,645	38,734	43,140		3,846 (385)	7,495 (375)	Comment noted.
Table 3.3: CLG Household Projections, 2011-2021 & 2013-2033																																											
Series	2011	2013	2021	2033		2011-2021 (per annum)	2013-2033 (per annum)																																				
2012-based	32,670	33,442	36,755	41,560		4,085 (409)	8,118 (406)																																				
2011-based (interim)	32,749	33,971	38,428			5,679 (568)																																					
2008-based	34,888	35,645	38,734	43,140		3,846 (385)	7,495 (375)																																				

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.19 The growth projected by the 2012-based CLG household projection is 8.3% higher than projected by the 2008-based CLG household projection over the 2013-2033 period. However the SNPP underpinning the CLG projections shows significantly higher population growth (19.3%) in comparison.</p> <p>3.20 A similar pattern was evident when comparing the previous 'interim' 2011-based, and 2008-based CLG household projection with the ONS SNPP (2011-2021). The 'interim' 2011-based ONS SNPP projected 106% higher growth (2011-2021) than the 2008-based ONS SNPP. However the reflective 'interim' 2011-based CLG household projection only showed a 50% increase from the 2008-based CLG household projection.</p> <p>3.21 The inconsistencies can be explained by the household formation rates (HFRs) underpinning the 'interim' 2011-based and most recent 2012-based CLG household projections, both of which have been incorporate trends influenced by the severe economic recession experienced in the UK from 2008.</p> <p>3.22 The 2012-based and 'interim' 2011-based CLG household projections therefore project forward the impact of the recessionary conditions, during which household formation was suppressed due to worsening affordability.</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>Comment noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Household Formation Rates</p> <p>3.23 Household formation rates (HFRs, the propensity to form households) are applied to the SNPP by gender and age group (after the population not in households has been deducted), to calculate the projected future number of households by CLG. The HFR assumptions therefore have a significant bearing on the official CLG household projections.</p> <p>3.24 The PPG advises the following in respect of HFRs:</p> <p>“The household projection-based estimate of housing need <u>may require adjustment</u> to reflect factors affecting local demography and household formation rates which are not captured in past trends. For example, formation rates may have been suppressed historically by under-supply and worsening affordability of housing.” (Our emphasis)</p> <p>3.25 In this context it was widely acknowledged that the previous ‘interim’ 2011-based CLG household projections were underpinned by very low HFRs, particularly in younger age groups, due to the recession and the increasing difficulty for younger people to form their own household because of worsening affordability.</p> <p>3.26 This is emphasised by the ONS’ research into concealed households – a concealed household being one in which more than one household lives together, i.e. young couples living with parents – which shows a 70% increase in concealed households in England and Wales, between 2001 and 2011.</p>	<p>Comment noted.</p> <p>Quote noted.</p> <p>Comment noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response																								
		<p>3.27 CLG have now published stage one HFRs data for the 2012-based household projections (household representative rates by age and gender). The rates show that, although HFRs have partially recovered from the suppression projected by the 'interim' 2011-based projections, household formation in the 2012-based projections remains suppressed compared to the 2008-based projections, in the 25-34 and 35-44 age groups, as shown in Figures 3.1 and 3.2 below.</p> <p>Figure 3.1: Household Formation Rates, 25-34 age group; Runnymede</p>  <table border="1"><caption>Estimated data for Figure 3.1: Household Formation Rates, 25-34 age group; Runnymede</caption><thead><tr><th>Year</th><th>25-34 2008-based</th><th>25-34 2011-based</th><th>25-34 2012-based</th></tr></thead><tbody><tr><td>1991</td><td>0.45</td><td></td><td>0.45</td></tr><tr><td>2001</td><td>0.45</td><td></td><td>0.45</td></tr><tr><td>2011</td><td>0.43</td><td>0.43</td><td>0.43</td></tr><tr><td>2021</td><td>0.44</td><td>0.39</td><td>0.44</td></tr><tr><td>2031</td><td>0.44</td><td></td><td>0.44</td></tr></tbody></table>	Year	25-34 2008-based	25-34 2011-based	25-34 2012-based	1991	0.45		0.45	2001	0.45		0.45	2011	0.43	0.43	0.43	2021	0.44	0.39	0.44	2031	0.44		0.44	Comment noted.
Year	25-34 2008-based	25-34 2011-based	25-34 2012-based																								
1991	0.45		0.45																								
2001	0.45		0.45																								
2011	0.43	0.43	0.43																								
2021	0.44	0.39	0.44																								
2031	0.44		0.44																								

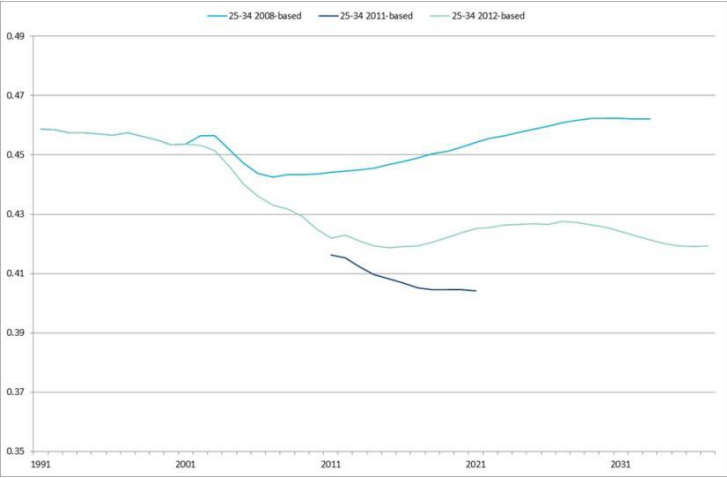
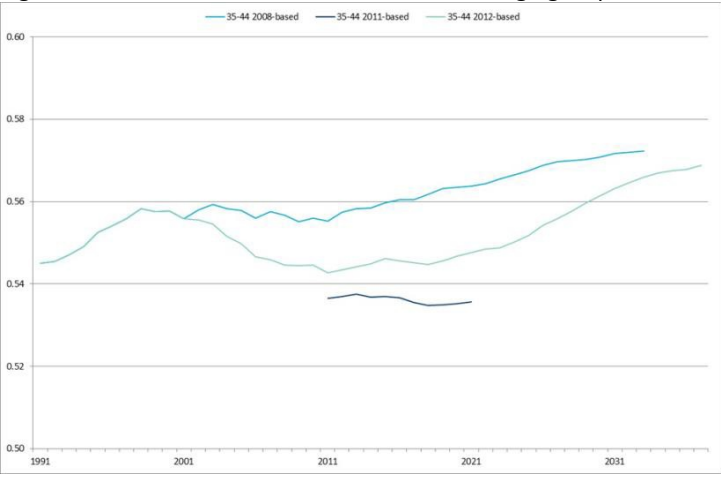
Rep No	Representor	Summary of comments made	Officer Response
		<p>Figure 3.2: Household Formation Rates, 35-44 age group; Runnymede</p> <p>3.28 Figures 3.1 and 3.2 illustrate how the latest 2012-based household formation rates project some return from the suppression inherent in the 'interim' 2011-based rates, however they remain lower than the 2008-based HFRs. It is therefore considered that an adjustment needs to be made to comply with the National Planning Policy Framework's (NPPF) clear policy to 'boost significantly' the supply of housing, 'promote economic growth' and 'positively prepare' the Local Plan.</p> <p>3.29 Given that the CLG 2012-based household projections have only recently been published (27 Feb 2015), only one Planning Inspectorate decision considering the approach we suggest here, has been published. The decision concerns the Examination in Public (EiP) of the Cheltenham, Gloucester, and Tewkesbury Joint Core Strategy (JCS), and following the hearings (held in May 2015), the Planning Inspector has stated the following in respect of the OAN approach she expects the JCS to address:</p>	<p>The uplift made by GL Hearn seeks to reverse the inherent suppression within the 2012 based projections and improve them back to 2001 levels (See section 7)</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>“There should be a consideration of any suppression in HFRs that may be inherent in the 2012 DCLG projections, which may warrant adjustments to the OAHN. In particular sensitivity testing the following scenarios would be useful (commenting on any perceived weaknesses in each approach):</p> <p>1) Partial and full returns to 2008-based trends for 25 to 34 year olds 2) Partial and full returns to 2008-based trends for 25 to 44 year olds 3) Partial and full returns to 2008-based trends for all age groups.”</p> <p>3.30 The decision of the Cheltenham, Gloucester, and Tewkesbury JCS Inspector endorses the approach we have set out in this study.</p> <p>c) HOUSING MARKET AREA (RUNNYMEDE AND SPELTHORNE)</p> <p>3.31 The draft SHMA produced by GL Hearn considers the joint area of Runnymede and Spelthorne, and this section of the study therefore summarises the official ONS and CLG projections/estimates for the HMA.</p>	<p>Our approach to a market signals uplift has recently been accepted by the Planning Framework inspector in Horsham (report dated October 2015). In para 37 of his report he states: <i>‘The Council have included a modest upwards adjustment in their OAN figure ...to account for affordability pressure in the 25-34 age group, evidenced by substantial growth in private rented sector accommodation and the number of persons in HMOs, even though these indicators are again in line with HMA and national trends. I consider there is no strong case for a significant uplift to account for market signals in Horsham district, which are very similar to those elsewhere across virtually all of the south east. The Council’s modest increase appears appropriate therefore’.</i></p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response																												
		<p>i) Office for National Statistics (ONS) sub national population projections</p> <p>3.32 Table 3.4 (below) summarises the ONS SNPP for the HMA, following on from the Borough-wide figures for Runnymede (above).</p> <p>Table 3.4: ONS Sub National Population Projection series, 2013-2033, HMA</p> <table><tr><th>Series</th><th>2011</th><th>2013</th><th>2021</th><th>2033</th><th>2011-2021 (per annum)</th><th>2013-2033 (per annum)</th></tr><tr><td>2012-based</td><td>176,400</td><td>180,500</td><td>195,000</td><td>214,500</td><td>18,600 (1,860)</td><td>34,000 (1,700)</td></tr><tr><td>2011-based</td><td>176,400</td><td>181,600</td><td>199,300</td><td></td><td>22,900 (2,290)</td><td></td></tr><tr><td>2008-based</td><td>178,100</td><td>180,600</td><td>191,100</td><td>207,600</td><td>13,000 (1,300)</td><td>29,500 (1,475)</td></tr></table>	Series	2011	2013	2021	2033	2011-2021 (per annum)	2013-2033 (per annum)	2012-based	176,400	180,500	195,000	214,500	18,600 (1,860)	34,000 (1,700)	2011-based	176,400	181,600	199,300		22,900 (2,290)		2008-based	178,100	180,600	191,100	207,600	13,000 (1,300)	29,500 (1,475)	<p>Noted.</p>
Series	2011	2013	2021	2033	2011-2021 (per annum)	2013-2033 (per annum)																									
2012-based	176,400	180,500	195,000	214,500	18,600 (1,860)	34,000 (1,700)																									
2011-based	176,400	181,600	199,300		22,900 (2,290)																										
2008-based	178,100	180,600	191,100	207,600	13,000 (1,300)	29,500 (1,475)																									
		<p>3.33 set out above, the 2012-based ONS SNPP are considered to be conservative projections, being based on very low assumptions regarding international net migration. This is emphasised by the latest 2012-based ONS SNPP being underpinned by net in-migration of 1,075 people per annum across the HMA, whereas the experienced short-term (2009-2014) and long-term (2005-2014) trends show net in-migration of 1,350 and 1,300 people per annum respectively.</p> <p>3.34 The 2012-based ONS SNPP underpin the 2012-based CLG household projections, and in turn these are also considered conservative, as explained above.</p>	<p>Comment noted.</p> <p>Comment noted.</p>																												

Rep No	Representor	Summary of comments made	Officer Response																																								
		<p>iii) Communities and Local Government (CLG) household projections</p> <p>3.37 Table 3.5 (below) sets out the official CLG household projections in chronological order from the 2008-based series to the most recent 2012-based series (27 February 2015). As discussed above the CLG household projections are underpinned by the SNPP.</p>	Comment noted.																																								
		<table><tr><td colspan="8">Table 3.5: CLG Household Projections, 2011-2021 & 2013-2033, HMA</td></tr><tr><td>Series</td><td>2011</td><td>2013</td><td>2021</td><td>2033</td><td></td><td>2011-2021 (per annum)</td><td>2013-2033 (per annum)</td></tr><tr><td>2012-based</td><td>72,283</td><td>73,893</td><td>80,974</td><td>91,820</td><td></td><td>8,691 (869)</td><td>19,537 (977)</td></tr><tr><td>2011-based (interim)</td><td>72,360</td><td>74,306</td><td>82,097</td><td></td><td></td><td>9,737 (974)</td><td></td></tr><tr><td>2008-based</td><td>75,119</td><td>76,555</td><td>82,719</td><td>91,906</td><td></td><td>7,600 (760)</td><td>15,351 (768)</td></tr></table> <p>Source: CLG</p> <p>3.38 The latest 2012-based CLG household projections show growth of 19,537 households across the HMA, 2013-2033, equating to 977 households per annum. To reach a dwelling requirement, account needs to be taken of vacancy rates, second homes, and shared dwellings (2.47% across the HMA), resulting in a dwelling projection of 20,020 dwellings, 2013-2033 (1,000 dwellings per annum, 2013-2033). As the PPG states the CLG projections should form the ‘starting point estimate’</p>	Table 3.5: CLG Household Projections, 2011-2021 & 2013-2033, HMA								Series	2011	2013	2021	2033		2011-2021 (per annum)	2013-2033 (per annum)	2012-based	72,283	73,893	80,974	91,820		8,691 (869)	19,537 (977)	2011-based (interim)	72,360	74,306	82,097			9,737 (974)		2008-based	75,119	76,555	82,719	91,906		7,600 (760)	15,351 (768)	Comment noted.
Table 3.5: CLG Household Projections, 2011-2021 & 2013-2033, HMA																																											
Series	2011	2013	2021	2033		2011-2021 (per annum)	2013-2033 (per annum)																																				
2012-based	72,283	73,893	80,974	91,820		8,691 (869)	19,537 (977)																																				
2011-based (interim)	72,360	74,306	82,097			9,737 (974)																																					
2008-based	75,119	76,555	82,719	91,906		7,600 (760)	15,351 (768)																																				

Rep No	Representor	Summary of comments made	Officer Response
		<p>of overall housing need as part of a full objective assessment of need.</p> <p>3.39 The 2012-based CLG projections show a 3.8% lower figure (72,283 households) than projected by the 2008-based projection (75,119 households) for 2011. The comparative population growth shows only 1.0% lower population growth, and this highlights the household suppression across the HMA. As explained in 3.22 to 3.39 (above), this is due to the HFRs underpinning the CLG projections.</p> <p>3.40 Across the HMA, our analysis shows there is clear suppression across the HMA in household formation in the 25-34 and 35-44 age groups. Figures 3.3 and 3.4 illustrate this and show a similar pattern to the previous 'interim' 2011-based CLG household formation rates which were widely agreed as being suppressed by the recessionary period.</p> <p>3.41 The latest 2012-based household formation rates do project a partial return from the suppression inherent in the 'interim' 2011-based rates, however they remain noticeably lower than the 2008-based HFRs. It is therefore considered that an adjustment needs to be made to comply with the National Planning Policy Framework's (NPPF) clear policy to 'boost significantly' the supply of housing, 'promote economic growth' and 'positively prepare' the Local Plan.</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>The uplift made by GL Hearn seeks to reverse the inherent suppression within the 2012 based projections and improve them back to 2001 levels (See section 7)</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Figure 3.3: Household Formation Rates, 25-34 age group; HMA</p>  <p>Figure 3.4: Household Formation Rates, 35-44 age group; HMA</p> 	

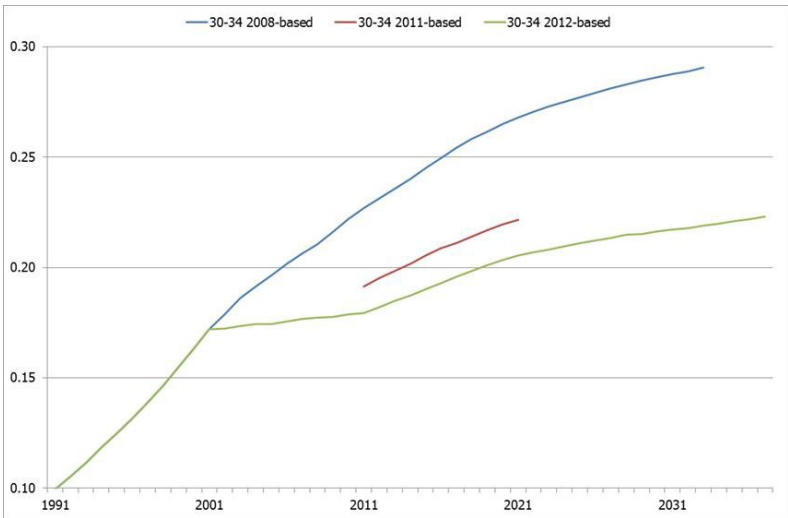
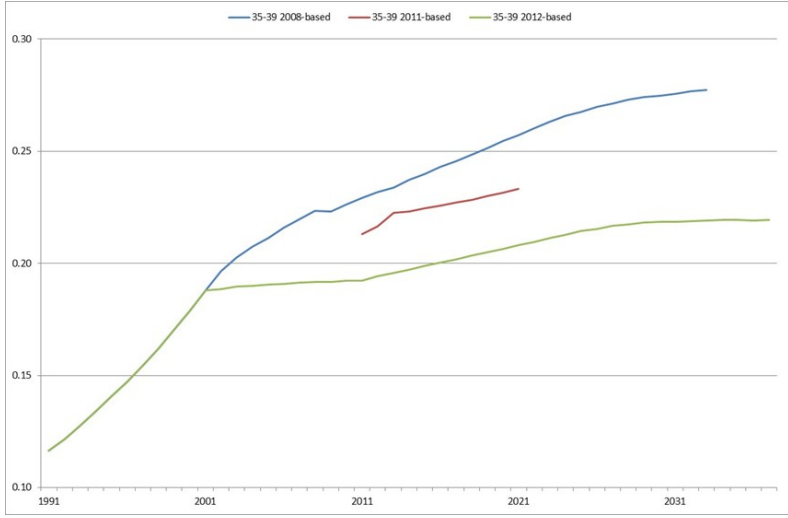
Rep No	Representor	Summary of comments made	Officer Response
		<p>3.42 In the context of our analysis of Runnymede, in the case of the HMA it is considered that an adjustment to the HFRs is required to alleviate the suppression identified. However there is clear suppression projected forward in the 2012-based CLG HFRs in both the 25-34 and the 35-44 age groups. Sensitivity testing to alleviate the suppression in these age groups is therefore recommended to comply with the NPPF's requirement to 'plan positively'. The 2012-based CLG household projection of 977 households per annum, 2013-2033 (1,001 dpa), across the HMA should therefore be considered a minimum, and as stated by the PPG, the 'starting point estimate' only.</p> <p>d) SUMMARY</p> <p>3.43 In summary, this section has considered the most up-to-date official population and household projections published by CLG and ONS, which should be considered in the first stage of establishing OAN. The key headlines from this section are as follows:</p> <p>1) The PPG emphasises that CLG household projections should only form the 'starting point' in an objective assessment of the overall housing need;</p> <p>2) This 'starting point estimate' is currently growth of 406 households per annum in Runnymede and 977 households per annum across the HMA between 2013 and 2033. Applying a household/dwelling adjustment to account for vacant homes, second homes and sharing rates increases the overall need to 416 dwellings per annum (Runnymede) and 1,001 dwellings per annum (HMA);</p> <p>3) However, the 'starting point estimate' is considered to represent a significant underestimate as the 2012-based household projections are based on suppressed household formation trends observed over the recessionary period;</p>	<p>The uplift made by GL Hearn seeks to reverse the inherent suppression within the 2012 based projections and improve them back to 2001 levels (See section 7).</p> <p>1) Comment noted.</p> <p>2) Comment noted.</p> <p>3 & 4) Whilst suppression in HFRs for 25-44 year olds is noted, the evidence suggests this was most marked in the 25-34 demographic. There is also a range of research which links affordability to younger households. As such, if declining affordability has contributed to a</p>

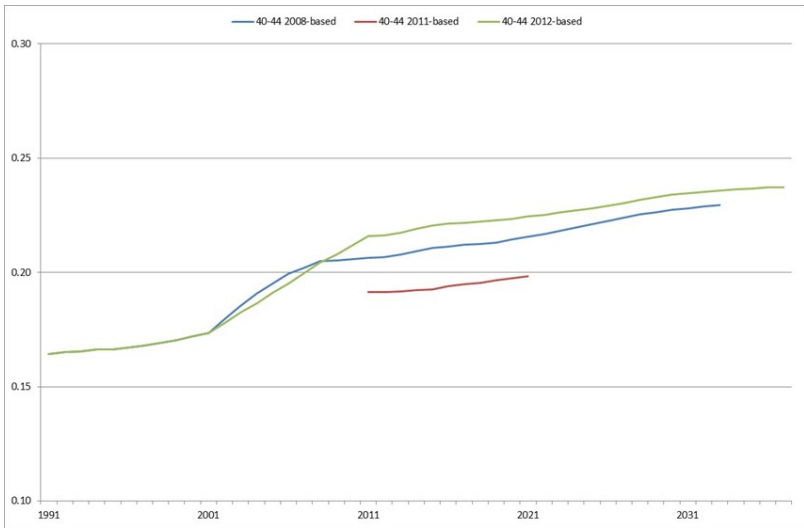
Rep No	Representor	Summary of comments made	Officer Response
		<p>4) There is particular suppression in the household formation rates for the 25-34 and 35-44 year olds across the HMA. The PPG states that adjustments may be required to the household projection estimate of need if rates have been suppressed historically (paragraph 15, ID2a) and specific to local circumstances;</p> <p>5) Furthermore, the CLG 2012-based household projections are underpinned by the ONS 2012-based SNPP which are considered to provide a conservative projection of future population growth. The ONS 2012-based SNPP are based on recessionary influenced migration trends and significantly underestimate the future population due to low assumptions regarding the levels of net international migration. The identification of net in-migration trends which are higher than the projected level of net in-migration for the HMA emphasise this point;</p> <p>6) After the consideration of demographic-led need as part of OAN, the next stage is to consider whether an adjustment is required to accommodate economic growth. Official ONS projections show working age (16-64) growth of 660 people per annum across the HMA. A comparison needs to be made against job growth forecasts in order to determine whether an upward adjustment beyond the 'starting point estimate' is required.</p>	<p>drop in HFR's, particularly in younger age profiles, then an improvement in affordability should manifest in more younger households forming. As such, the draft SHMA does make a positive adjustment to improve affordability. This approach is considered robust and further adjustments for 35-44 year olds are not considered required. Further, the draft SHMA takes account of market factors such as increased regulation of the mortgage market and house builder sector capacity to ensure it is realistic. This means that a dramatic overnight upturn in household formation is unlikely. The 2012-Based projections show that the 35-45 year age group in Runnymede is expected to be higher in 2033 than it has ever been and to suggest they have in built suppression is wrong. In Spelthorne the rates are expected to go back to a level around the previous rate. The uplift made by GL Hearn seeks to reverse the inherent suppression within the 2012 based projections and improve them back to 2001 levels (See section 7).</p> <p>5) Noted, however the Inspector for Uttlesford in his conclusions dated 19 December (para 1.2) states that migration flows can be dynamic and unpredictable and was not convinced of departing from the current ONS approach. GL Hearn's approach also takes into account increased out migration from London as economic recovery takes hold.</p> <p>6) As is caveated in the draft SHMA, officers acknowledge that further work around economic/employment forecasting is required and this extra work will feed into an update/supplementary report. Therefore the draft SHMA is clear that both authorities intend to undertake further, and more up to date economic work.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.44 Having established the demographic starting point of need in Runnymede and the HMA as 416 dwellings per annum and 1,001 dwellings per annum respectively, 2013-2033, the following section of this study considers the objective assessment of overall housing need set out by Runnymede Borough Council and Spelthorne Borough Council in their draft SHMA.</p> <p>4.0 REVIEW AND CRITIQUE OF THE COUNCIL'S EVIDENCE BASE</p> <p>i) Introduction</p> <p>4.1 This section provides a technical review of the draft Strategic Housing Market Assessment (SHMA) produced by GL Hearn for the Runnymede and Spelthorne HMA.</p> <p>4.2 An evaluation and critique of the SHMA is considered below, in the context of the NPPF and PPG requirements to ensure an objective assessment of overall housing need is undertaken. We apply the step-by-step approach identified by the PPG, as follows:</p> <ul style="list-style-type: none"> i. Starting point estimate (latest CLG household projection); ii. Demographic adjustment; iii. Market signals adjustment; iv. Accommodating economic growth; v. Affordable housing need. <p>ii) Draft Strategic Housing Market Assessment (SHMA, May 2015)</p> <p>'Starting point' estimate</p> <p>4.3 The SHMA identifies the 2012-based CLG household projections as the demographic 'starting point' estimate, as required by PPG. As we</p>	<p>Comment noted.</p> <p>Approach noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>have identified above, the projections as published show growth of 406 households per annum (426 dwellings) in Runnymede, and 977 households per annum (1,019 dwellings) across the HMA.</p> <p>4.4 However the SHMA identifies a higher figure of 414 households (434 dwellings) per annum in Runnymede, but a lower figure of 907 households (945 dwellings) per annum across the HMA, to account for the 2013 mid-year estimates (MYE) from ONS.</p> <p>4.5 The adjustment made for the 2013 MYE in the SHMA is considered reasonable, and it is therefore considered that the 'starting point estimate' of 434 dwellings per annum for Runnymede, and 945 dwellings per annum across the HMA is also reasonable.</p> <p>Household formation rates</p> <p>4.6 The application of household formation rates (HFRs) is a key assumption in determining household growth and dwelling need. The analysis set out in the SHMA is considered reasonable, by showing a comparison between the 2008, interim 2011, and 2012-based HFRs for Runnymede and Spelthorne (Figures 48 and 49).</p> <p>4.7 The HFRs analysis of the SHMA shows a similar approach to that set out in section 3 of this technical review, and the SHMA concludes that there is concern over suppressed household formation in the latest 2012-based HFRs for the 25-34 age group. However there is also considered to be suppression in the 35-44 age group. This is illustrated by the HFR comparisons for the two age groups that we have shown in figures 3.3 and 3.4 of this study.</p>	<p>Comment noted.</p> <p>Support noted.</p> <p>Support noted.</p> <p>As stated above the evidence suggests that suppression was most marked in the 25-34 demographic and the approach currently taken in the SHMA is considered to be robust. The 2012-Based projections show that the 35-45 year age group in Runnymede are expected to be higher in 2033 than they have ever been and to suggest they have in built suppression is wrong. In Spelthorne the rates are expected to go back to a level around the previous rate.</p>

Rep No	Representor	Summary of comments made	Officer Response																								
		<p>4.8 The SHMA looks to address the suppressed HFR issue by applying a return to the HFRs of the year 2001, by the final year of the OAN period (2033). This is considered a reasonable adjustment to make, however it is not considered to go far enough in respect of Runnymede in isolation, or for the HMA (Runnymede and Spelthorne collectively).</p> <p>4.9 In respect of Runnymede, more detailed analysis of the HFRs shows how household formation of females in the 25-44 age group was projected to increase to significantly higher levels than in 2001, by 2033, in the 2008-based CLG household projections (see figures 4.1 to 4.4 below).</p> <p>Figure 4.1: HFRS of females aged 25-29, Runnymede</p> <table border="1"> <caption>Data for Figure 4.1: HFRS of females aged 25-29, Runnymede</caption> <thead> <tr> <th>Year</th> <th>25-29 2008-based</th> <th>25-29 2011-based</th> <th>25-29 2012-based</th> </tr> </thead> <tbody> <tr> <td>1991</td> <td>0.13</td> <td>-</td> <td>0.13</td> </tr> <tr> <td>2001</td> <td>0.175</td> <td>0.175</td> <td>0.175</td> </tr> <tr> <td>2011</td> <td>0.185</td> <td>0.165</td> <td>0.165</td> </tr> <tr> <td>2021</td> <td>0.195</td> <td>0.175</td> <td>0.175</td> </tr> <tr> <td>2031</td> <td>0.21</td> <td>0.18</td> <td>0.18</td> </tr> </tbody> </table>	Year	25-29 2008-based	25-29 2011-based	25-29 2012-based	1991	0.13	-	0.13	2001	0.175	0.175	0.175	2011	0.185	0.165	0.165	2021	0.195	0.175	0.175	2031	0.21	0.18	0.18	<p>Comment noted.</p> <p>The 2012-Based projections show that the 35-45 year age group in Runnymede are expected to be higher in 2033 than they have ever been and to suggest they have in built suppression is wrong. In Spelthorne the rates are expected to go back to a level around the previous rate.</p>
Year	25-29 2008-based	25-29 2011-based	25-29 2012-based																								
1991	0.13	-	0.13																								
2001	0.175	0.175	0.175																								
2011	0.185	0.165	0.165																								
2021	0.195	0.175	0.175																								
2031	0.21	0.18	0.18																								

Rep No	Representor	Summary of comments made	Officer Response
		<p>Figure 4.2: HFRS of females aged 30-34, Runnymede</p>  <p>Figure 4.3: HFRS of females aged 35-39, Runnymede</p> 	

Rep No	Representor	Summary of comments made	Officer Response
		<p>Figure 4.4: HFRS of females aged 40-44, Runnymede</p>  <p>4.10 Figures 4.1 to 4.4 show how the 2012-based CLG household projections follow some return to the pre recessionary 2008-based HFRs by 2033, and a higher level than 2001 levels. It is therefore considered that the SHMA's approach would suppress household formation in this age group by returning to 2001 levels.</p> <p>4.11 A more robust approach would therefore be to apply a full return to the 2033 levels projected by the 2008-based CLG household projections, in the 25-44 age group (for males and females) for Runnymede. The joint HFRs we have identified in section 3 of this study (figures 3.3 and 3.4) show how the 2008-based HFRs projected higher household formation in the 25-34 and 35-44 age groups by 2033, than were seen in 2001. The issue of significantly rising household formation by females (as referred to for Runnymede above) would also be key, and by returning</p>	<p>The 2012-Based projections show that the 35-45 year age group in Runnymede are expected to be higher in 2033 than they have ever been and to suggest they have in built suppression is wrong. In Spelthorne the rates are expected to go back to a level around the previous rate. We have not adjusted the formation rates in other age groups rather using those within the official projections.</p> <p>See Comment above.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>to 2001 levels, significant suppression in female household formation would be projected forward.</p> <p>4.12 In this context although the approach of the SHMA goes some way to alleviating household formation suppression, it is not considered to go far enough. A more robust approach would be to assume a full return to 2008-based household formation rates by 2033, in the 25-44 age group, in Runnymede and the HMA.</p> <p>4.13 The approach Barton Willmore recommends has recently been highlighted by the Planning Inspector in the examination of the Cheltenham, Gloucester, and Tewkesbury Joint Core Strategy (JCS). The Inspector has issued a letter (01 July 2015) to the JCS authorities requesting additional evidence arising from the Stage 1 hearings (held in May/June 2015), focusing on Objectively Assessed Housing Need, Strategic Housing Market Assessment, Employment Requirements and Retail Need (see Appendix 1), in which she states the following:</p> <p>“There should be a consideration of any suppression in HFRs that may be inherent in the 2012 DCLG projections, which may warrant adjustments to the OAHN. In particular sensitivity testing the following scenarios would be useful (commenting on any perceived weaknesses in each approach):</p> <ol style="list-style-type: none"> 1) Partial and full returns to 2008-based trends for 25 to 34 year olds. 2) <u>Partial and full returns to 2008-based trends for 25 to 44 year olds</u> 3) Partial and full returns to 2008-based trends for all age groups” (our emphasis) 	<p>As stated above, suppression of HFRs was most marked in the 25-34 demographic and further adjustments for the 35-44 demographic are not considered to be necessary. Furthermore, suppression in other age groups will have been factored into the 2012 projections to some degree.</p> <p>The core issue is whether there has been an upwards adjustment as a response to further improve affordability and as a consequence HFRs.</p> <p>Our approach to a market signals uplift has recently been accepted by the Planning Framework inspector in Horsham (report dated October 2015). In para 37 of his report he states:</p> <p><i>‘The Council have included a modest upwards adjustment in their OAN figure ...to account for affordability pressure in the 25-34 age group, evidenced by substantial growth in private rented sector accommodation and the number of persons in HMOs, even though these indicators are again in line with HMA and national trends. I consider there is no strong case for a significant uplift to account for market signals in Horsham district, which are very similar to those elsewhere across virtually all of the south east. The Council’s modest increase appears appropriate therefore’.</i></p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>4.14 The approach we suggest is therefore considered to be robust and justified in seeking to address household formation and 'positively prepare' Local Plans (NPPF paragraph 182), as it is given significant weight by the JCS Inspector. This approach would have the potential to increase the demographic-led OAN in Runnymede and the HMA.</p> <p>Migration trends</p> <p>4.15 The 2013 MYE show total population of 180,904 people across the HMA, higher than the 2012-based ONS SNPP projection for 2013 of 180,500 people. In Runnymede Borough the 2013 MYE is also higher, at 83,448 as opposed to 83,000.</p> <p>4.16 The 2013 MYE shows that population is growing faster than was projected by the 2012-based ONS SNPP, and this is further emphasised by the net in-migration recorded by the 2013 MYE. In Runnymede, net in-migration of 1,006 people was recorded in 2013, as opposed to only 475 people per annum average (2012-2037) assumed by the 2012-based ONS SNPP and therefore underpinning the 2012-based CLG household projection.</p> <p>4.17 Across the HMA, net in-migration of 1,282 people was recorded in 2013 (as opposed to only 1,075 people per annum in the 2012-based ONS SNPP), and this suggests that a demographic adjustment is required to account for significantly higher net in-migration in Runnymede and the HMA than assumed by the 2012-based ONS SNPP.</p> <p>4.18 In respect of net-migration trends, the SHMA identifies short and long-term net-migration trends for Runnymede and the HMA. However the SHMA identifies a long-term trend over the 2001 to 2013 period (12 years) which shows average net-migration of 960 people per annum. It is considered that a more robust approach would be to use the past 10</p>	<p>Noted, but for the reasons stated above it is considered that the SHMA already makes reasonable assumptions for HHFR suppression.</p> <p>Comment noted.</p> <p>We have made an adjustment for higher net in migration through our London analysis</p> <p>Noted. However the draft SHMA can only be a snapshot in time and would never be completed if continually awaiting or updating for the latest population/household projections. Paragraph 16 of the PPG note on <i>Housing & Economic Development Needs Assessments</i> supports this stating that housing assessments are not rendered outdated every time new projections are issued. Further, both authorities realise that an update(s) to the assessment will be required at some point in time, not least to test further economic projections. Therefore, it is envisaged that it will be at this time that an update or supplementary report will take account of the latest population/household projections (including changes to net</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>years, incorporating a period of economic recession and buoyancy. This would also align more closely with the SHMA's assertion that increased in-migration from Europe makes net-migration figures from 2004 onwards more accurate, as follows:</p> <p>"Since 2004 we have seen increased numbers of Central and Eastern European workers allowed to work in the UK. This was noted in Figure 38 as the population growth increased significantly from this point. Unless there is a reversal of that policy the shorter term trends are likely to be more accurate."</p> <p>4.19 As we have identified in section 3, incorporating the more recent 2014 MYE provides a long-term net-migration trend (2005-2014) of 950 people per annum in Runnymede, and 1,300 people per annum across the HMA. This exceeds the assumption of the 2012-based ONS SNPP (475 people per annum in Runnymede and 1,075 people per annum in the HMA) and aligns with the section of the SHMA highlighted above.</p> <p>4.20 It is therefore considered that an adjustment needs to be made based on these higher net-migration trends for Runnymede and the HMA, and this would lead to higher demographic-led need.</p> <p>4.21 The SHMA also makes an analysis of 'Unattributable Population Change' (UPC) – an adjustment made by ONS to mid-year population estimates where Census data suggests that population growth had either been over or under-estimated in the inter-Census years. Because UPC links back to Census data a figure is only provided for 2001 to 2011. ONS have confirmed that UPC has not been incorporated into the 2012-based ONS SNPP, and the SHMA (page 78) confirms that UPC has not been taken into account in assessing demographic-led need. This is an approach which Barton Willmore concurs with, for the reasons the SHMA outlines:</p>	<p>migration). In any event the projections used in the draft SHMA are still considered robust. In terms of using a long-term trend, 12 years aligns to the 2001 census and there is no reason why a 12 year period rather than a 10 year period would not incorporate periods of buoyancy and recession (as indeed it does).</p> <p>The adjustments made also make the demographic starting point higher than the 2012-based projections.</p> <p>Noted, but see comments above. We have not made adjustments relating to UPC for the reasons given in the report.</p> <p>Support noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>“The main reasons for this are that it is unclear if UPC is related to migration and more importantly, due to changes in the methods used by ONS to measure migration it is most probable that any errors are focussed on earlier periods (notably 2001-6) and therefore a UPC adjustment for more recent data would not be appropriate.”</p> <p>4.22 As we have explained above, Barton Willmore would suggest a long-term net-migration trend assumption from 2005-2014. Given the reasons the SHMA identifies for not using UPC (including the limited influence of it from 2006 onwards) the justification for the 10-year trend period we propose is considered to be emphasised.</p> <p>Adjustment for market signals</p> <p>4.23 Having established the ‘starting point estimate’ of overall housing need, and potential adjustments for net-migration trends, the PPG (ID2a-20) states how a worsening trend in any of the market signals indicators will require upward adjustment to planned housing numbers based solely on household projections.</p> <p>4.24 The SHMA applies a 6% uplift for household formation suppression and considers that this provides for a market signals uplift. Again, although this goes some way in alleviating market signals pressure, it is not considered to go far enough.</p> <p>4.25 The PPG identifies 6 market signals; land prices, rate of development, house prices, rental prices, affordability, and overcrowding (ID2a-019), and states how a worsening trend in any of these indicators in comparison to similar demographic areas, the HMA, and nationally, will require an upward adjustment to planned housing numbers based solely on household projections. The PPG does not</p>	<p>Noted, but see comments above.</p> <p>Comment noted.</p> <p>Disagree. The approach employed by GL Hearn in the SHMA is considered to be both robust and defensible and has been supported at a number of Local Plan examinations including Horsham and Chichester.</p> <p>See response to para 4.24 above.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>identify how market signals can be addressed through household formation rates, and the approach of the SHMA is not considered to go far enough in addressing market signals, although it is agreed that the SHMA's approach does go some way in addressing them.</p> <p>4.26 In the context of the six market signals identified above, the SHMA sets out a significant level of detail. In respect of house prices, the SHMA identifies how they have risen in the HMA in comparison to similar demographic areas, particularly in Runnymede Borough.</p> <p>"It is clear from Figure 75 that mean prices across the HMA are <u>substantially above</u> the regional average across all property types with the exception of flats. House prices in Runnymede are above those in Spelthorne where the prices vary by typology but are broadly below the South East average." (our emphasis)</p> <p>4.27 The draft SHMA also highlights how a significant increase was experienced across the HMA over the decade prior to the recession (1998-2007), as follows:</p> <p>"Over the decade, prices increased by around 150% - <u>significant growth</u> in real terms." (our emphasis)</p> <p>4.28 The draft SHMA also identifies how rents have increased significantly in Runnymede when compared with Spelthorne, Surrey, and England. Benchmarking median private rents against figures from 2011 shows that rental growth in Runnymede (18%) has been significantly above Surrey (9.5%) and the South East (7.0%) over the past few years.</p>	<p>Comment and quote noted.</p> <p>Comment and quote noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>4.29 Perhaps the most striking market signal relates to affordability and specifically the relationship between lower quartile earnings and lower quartile house prices, in Runnymede Borough. The draft SHMA identifies the following general observation:</p> <p>“As a general observation, we can see that across all areas the affordability of property has worsened quite markedly over the past 15 years; however affordability issues have been continually more acute across Surrey than other parts of the UK.”</p> <p>4.30 Within this context the SHMA identifies how the HMA has experienced significant worsening of affordability, as follows:</p> <p>“Compared to the national average of 6.5, the lower quartile affordability ratio indicates acute affordability pressures in the HMA with a ratio of around 9 in both authorities. This suggests that a significant proportion of households have insufficient income to afford market housing.”</p> <p>4.31 Overcrowding is another market signal which should be considered, and this relates to ‘concealed households’, an issue identified in section 3 of this study. The draft SHMA provides evidence to indicate that overcrowding has increased at a significantly higher rate than Surrey, the South East, and England. Table 4.1 (below) reproduces the figures published by the draft SHMA.</p>	<p>Comment and quote noted.</p> <p>Comment and quote noted.</p> <p>Noted, however part of the higher overcrowding figures could be due in part to a notable increase in the BME population across the HMA between the 2001 and 2011 census. Culturally some BME households tend to have higher average household sizes where several generations of the same family live but by definition would fall into an ‘overcrowded’ category.</p>

Rep No	Representor	Summary of comments made	Officer Response																								
		<p>Table 4.1: Overcrowding, 2001-2011</p> <table border="1"> <thead> <tr> <th></th><th>2001</th><th>2011</th><th>% Change</th></tr> </thead> <tbody> <tr> <td>Runnymede</td><td>1,918</td><td>2,710</td><td>41%</td></tr> <tr> <td>Spelthorne</td><td>2,493</td><td>3,553</td><td>43%</td></tr> <tr> <td>Surrey</td><td>23,620</td><td>30,783</td><td>30%</td></tr> <tr> <td>South East</td><td>195,392</td><td>265,974</td><td>36%</td></tr> <tr> <td>England</td><td>1,457,512</td><td>1,928,596</td><td>32%</td></tr> </tbody> </table> <p>Source: Figure 84, page 111, Runnymede BC and Spelthorne BC Draft SHMA, May 2015</p> <p>4.32 The worsening market signals identified above suggest that an uplift to the household projections is required, particularly in the case of Runnymede Borough. The draft SHMA quite rightly states that while the PPG requires an upwards adjustment on the basis of worsening market signals, it does not set out how such an adjustment should be quantified. It simply sets out that it should be 'reasonable.'</p> <p>4.33 However the PPG does go on to state that the more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be.</p>		2001	2011	% Change	Runnymede	1,918	2,710	41%	Spelthorne	2,493	3,553	43%	Surrey	23,620	30,783	30%	South East	195,392	265,974	36%	England	1,457,512	1,928,596	32%	<p>Comment noted.</p> <p>Comment noted.</p>
	2001	2011	% Change																								
Runnymede	1,918	2,710	41%																								
Spelthorne	2,493	3,553	43%																								
Surrey	23,620	30,783	30%																								
South East	195,392	265,974	36%																								
England	1,457,512	1,928,596	32%																								

Rep No	Representor	Summary of comments made	Officer Response
		<p>4.34 Two pertinent Local Plan Inspector's decisions are useful in this case; the Uttlesford (03 December 2014) and Eastleigh (15 February 2015) decisions, which recommended an uplift of 10% (in the case of Uttlesford, at least 10%). In Eastleigh the Inspector made this decision on the basis of the affordability ratio worsening by 97% between 1997 and 2012; and rents rising by 7.4% between 2011 and 2013.</p> <p>4.35 As the Runnymede and Spelthorne SHMA identifies, the affordability ratio in 2013 is 9.84 in Runnymede, and this represents a 92% increase from 1997; and rents have increased by 18% between 2011 and 2014. Added to these indicators are the significant increase in house prices and overcrowding above the regional and national average.</p> <p>4.36 Using the benchmark of the Eastleigh and Uttlesford decisions, it is therefore considered that an uplift of at least 10% should apply in Runnymede and Spelthorne Boroughs when assessing OAN.</p> <p>Economic growth</p> <p>4.37 The draft SHMA identifies growth of 15,000 jobs in both Runnymede and Spelthorne between 2013 and 2033 (750 jobs per annum in each District) based on summer 2013 Experian job growth forecasts. These forecasts are considered indicative by the SHMA, as more detailed analysis of job growth is intended through forthcoming economic/employment needs studies. However Experian is one of the leading sources of job growth forecasts (alongside Oxford Economics and Cambridge Econometrics) and can be considered robust.</p>	<p>The Uttlesford and Eastleigh Inspectors conclusions are noted, however on both occasions there was no clear justification as to why 10% should be used rather than a 5% or 15% adjustment for example. In both cases however, neither of the Authorities in question had proposed any uplift for market signals unlike the Spelthorne/Runnymede SHMA. Further the approach used in the draft SHMA has been found sound at other Local Plan examinations such as Chichester and Horsham. Furthermore, in other examples such as Stratford-on-Avon an Inspector found no case for any adjustment. In Crawley an Inspector did not consider a 10% adjustment put forward by the authority in response to Eastleigh was necessary. Overall, it is considered that Inspectors have taken a range of approaches to address the issue of market signals. The approach taken in the draft SHMA is considered to be robust and a further upward adjustment for market signals not required.</p> <p>Support noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>4.38 However the Experian forecasts are outdated, as they are now two years old, during which time the UK economy has experienced significant recovery from the worldwide economic recession which began in late 2008. More up-to-date forecasts, alongside past trends in job growth, should be considered to fully establish the level of housing required to accommodate economic growth. It should be noted that the draft SHMA acknowledges that more up-to-date evidence is required, a positions we support.</p> <p>4.39 However in the absence of more up-to-date evidence, the economic-led level of housing need identified in the SHMA is considered reasonable. The SHMA identifies that to meet economic-led need, OAN would equate to 1,250 dwellings per annum across the HMA (525 per annum in Runnymede, and 725 per annum in Spelthorne).</p> <p>Affordable Housing Need</p> <p>4.40 The draft SHMA provides a detailed assessment of affordable housing need in the HMA, concluding on there being a net need of 813 affordable dwellings per annum, 2013-2033 (371 in Runnymede and 441 in Spelthorne). This equates to a total of 16,250 affordable dwellings over the 20-year period, and should be considered in the context of the overall OAN (25,000 dwellings, 2013-2033) suggested by the SHMA (525 dpa in Runnymede, and 725 dpa in Spelthorne). The affordable need is therefore 65% of the SHMA's conclusion on full OAN.</p> <p>4.41 In the past, the assessment of OAN was often considered entirely separate to that of affordable housing need. However recent High Court and EiP decisions (see section 2 of this study) have confirmed that affordable housing need should be incorporated within the assessment of OAN, for the purposes of complying with paragraph 159 of the NPPF, and PPG.</p>	<p>Support for approach noted. Both Councils remain committed to doing this additional work.</p> <p>Support noted.</p> <p>Comment noted. The link between OAN and affordable housing need has been specified in the report. Our adjustments to improve affordability will also deliver additional affordable housing</p> <p>Whilst the 'Satnam' judgement is noted, this is not an approach advocated by the latest PAS guidance 'Objectively Assessed Need and Housing Targets Technical Advice Note' (July 2015) which postdates the decision and which advises on how to derive an OAHN need figure through the SHMA process. As such there is currently some uncertainty as to how OAHN should be derived especially given that</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>4.42 It is therefore considered that a further adjustment to the upper end of the OAN range for each authority should be considered to help meet the significant affordable need that has been identified through the SHMA.</p> <p>4.43 The SHMA appears to entirely agree with this point, stating the following:</p> <p>“Overall, in the period from 2013 to 2033 a net deficit of 16,250 affordable homes is identified (813 per annum). There is thus a requirement for new affordable housing in the HMA and the Councils are justified in seeking to secure additional affordable housing.”</p> <p>4.44 An additional point relates to the consideration of the Private Rented Sector (PRS) in meeting a proportion of the affordable need. As this study has highlighted (section 2), the NPPF and PPG do not include PRS in the definition of affordable housing need. This was also confirmed in the case of the Eastleigh Borough Local Plan Examination, with the Inspector’s final report commenting on the PRS as follows:</p>	<p>demographic need and affordable need figures are derived differently. Further, an element of the affordable need figure is already incorporated into the demographic projections and as such there is the potential for double counting if the approach to calculating OAHN is amended in the way suggested in this representation. In reality, it is only part of the affordable need figure that will relate to a need for additional dwellings such as for concealed and homeless households, whereas for others in the affordable needs model the need is not for a new dwelling but an alternative size/tenure. The text in this chapter will be amended to make these points clearer. In terms of whether the OAHN should be adjusted upwards to meet affordable needs, the Inspector for Cornwall did not consider this was necessary even with a significant affordable need figure. Further, to increase the OAHN figure to a level which would deliver the full affordable need, requires a judgement of development viability which could be considered a ‘policy on’ approach.</p> <p>An additional change is also proposed to be made to the affordable needs chapter to include an element of the committed supply of new affordable dwellings in the needs model (as advocated in paragraph 26 of the PPG note on <i>Housing & Economic Development Needs Assessments</i>), as to date neither Spelthorne and Runnymede have provided GL Hearn with this data.</p> <p>The point regarding the PRS and affordable need is noted as is the Oadby & Wigston judgement. Whilst the draft SHMA is not advocating that the overall need figure of 813 affordable dwellings per annum should be reduced in terms of the OAHN, it is pointing out that the PRS has and does play a role in meeting needs in reality. The affordable needs section of the draft SHMA is to be updated to make this clear.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>“there is no justification in the Framework or Guidance for reducing the identified need for affordable housing by the assumed continued role of the PRS with LHA. This category of housing does not come within the definition of affordable housing in the Framework.”</p> <p>4.45 In the case of Eastleigh, the Council’s SHMA calculated that the inclusion of the PRS would substantially reduce affordable housing need in Eastleigh. However given his conclusions in respect of the definition of affordable housing, the Inspector disagreed with this view as follows:</p> <p>There is not the same security of tenure as with affordable housing and at the lower-priced end of the PRS the standard of accommodation may well be poor.”</p> <p>4.46 In the context of the High Court decisions we refer to in section 2 of this study, and the Eastleigh Borough EiP decision, any calculation including PRS should be excluded. The SHMA for Runnymede and Spelthorne incorporates such a calculation, determining how this would reduce affordable housing need from 813 to 454 dwellings per annum across the HMA. In this context the draft SHMA concludes on affordable housing need by stating the following:</p> <p>“Given current mechanisms for funding affordable housing provision, it is unlikely that it would be feasible to deliver sufficient overall housing provision to meet the affordable need in full. The reality is that many households (2,763) with a need live in the Private Rented Sector (PRS) and supplement their income with Local Housing Allowance. A trend which we expect to continue. We have therefore not made an upwards adjustment on the basis of a need to provide more affordable homes.</p>	<p>See comments in response to 4.44 above.</p> <p>See comments in response to 4.44 above.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>4.47 However the affordable housing need figure of 813 dwellings per annum should be maintained in the context of the High Court Judgements and EiP decisions highlighted above, which confirm how PRS should not be included in the calculation of affordable housing need.</p> <p>iii) Summary</p> <p>4.48 This section has provided a summary and critique of the approach to OAN taken by the draft SHMA for Runnymede and Spelthorne. It is considered that the approach to OAN and the figure ultimately reached by the draft SHMA is reasonable; however Barton Willmore consider that further adjustment is necessary to ensure full OAN has been established.</p> <p>4.49 The main points to note in respect of the OAN are summarised below, in the order that the PPG advises the assessment should be undertaken:</p> <p>‘Starting point estimate’</p> <p>i) The adjustment to the ‘starting point estimate’ of OAN made for the 2013 MYE in the draft SHMA is considered reasonable, and it is therefore considered that the ‘starting point estimate’ of 434 dwellings per annum for Runnymede, and 945 dwellings per annum across the HMA is also reasonable;</p> <p>ii) The draft SHMA applies an upward adjustment to account for suppressed HFRs in the latest 2012-based CLG HFRs, the general approach of which Barton Willmore concurs with. This study identifies the suppression identified by the draft SHMA in sections 3 and 4;</p>	<p>See comments in response to 4.44 above.</p> <p>The points raised in the summary section have been addressed above.</p> <p>Support noted.</p> <p>Support noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Household Formation Rates</p> <p>iii) The draft SHMA's upward adjustment accounts for the 2012-based CLG HFR suppression in the 25-34 age group in Runnymede and Spelthorne, and does this by applying a return to the higher 2001 levels by 2033. All other age groups remain as per the latest 2012-based CLG HFRs;</p> <p>iv) Although Barton Willmore consider the draft SHMA's approach to deal with the issue of suppression in younger age groups in the most recent 2012-based CLG HFRs, it is not considered to go far enough across the HMA;</p> <p>v) Barton Willmore's analysis suggests that there is also suppression in 35-44 age group, and an upward adjustment should be applied to account for this. Furthermore by returning to 2001 levels, this fails to acknowledge the significant increase in household formation by young females since 2001. It is therefore considered that the approach to alleviate suppression in Runnymede and Spelthorne should be to return to the pre recessionary 2008-based CLG HFRs by 2033.</p> <p>Migration</p> <p>vi) Barton Willmore's analysis of net migration trends provides strong justification for the inclusion of additional demographic-led scenarios in the draft SHMA. This is evidenced by the past 10 years (2005-2014) showing average net in-migration of 950 people per annum in Runnymede, double the assumption (475 people per annum) of the 2012-based ONS SNPP and therefore the 2012-based CLG household projections. Furthermore the 2013 MYE shows net in-migration of 1,006 people, suggesting that net in-migration is on the increase in Runnymede;</p>	<p>See response provided previously on these points.</p> <p>See response provided previously on these points.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>vii) The 12-year trend scenario of the draft SHMA averages only 750 people per annum in comparison to the 10-year trend we have identified. The 10-year trend also aligns with the SHMA's contention that net migration increased significantly after 2004;</p> <p>viii) Across the HMA (Runnymede and Spelthorne) the 10-year trend shows 1,300 people per annum as opposed to the 2012-based ONS SNPP assumption of only 1,075 people per annum.</p> <p>ix) In respect of ONS' Unattributable Population Change (UPC), Barton Willmore concurs with the draft SHMA's approach to exclude it from any calculation of migration trends;</p> <p>Market Signals adjustment</p> <p>x) The evidence set out in the draft SHMA is considered to justify an upward adjustment for worsening market signals, most notably in respect of affordability, overcrowding, and private rents in Runnymede;</p> <p>xi) The draft SHMA applies a 6% uplift for suppressed household formation rates, and considers this uplift also accounts for the worsening market signals it identifies. The upward adjustment is reasonable but does not go far enough, particularly as Barton Willmore's view is that HFR and market signals adjustments should be mutually exclusive;</p> <p>xii) Using the benchmark of the Eastleigh and Uttlesford EiP decisions identified in this report, it is considered that an uplift of at least 10% should apply in Runnymede Borough.</p>	<p>Support noted.</p> <p>Comment noted.</p> <p>See response provided previously on these points.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Accommodating economic growth</p> <p>xiii) The draft SHMA applies an uplift to account for forecast job growth, based on the summer 2013 Experian economics forecasts. Experian is a robust source of job growth forecasting;</p> <p>xiv) The approach of the draft SHMA is considered reasonable, particularly in the context of the summer 2013 Experian forecasts being used to inform the ‘Enterprise M3 Housing Evidence Study’;</p> <p>xv) However it is considered that more up-to-date forecasts, and past trends in job growth, from a range of forecasting sources (including Experian, Oxford Economics, and Cambridge Econometrics) should be considered to fully comply with the requirements of the NPPF and PPG. It should be noted that the draft SHMA acknowledges this point, stating how more detailed economic-led reports are due to be published by the Councils in due course, and Barton Willmore would encourage this to be completed and published at the earliest opportunity;</p> <p>Affordable Housing Need</p> <p>xvi) The draft SHMA identifies net affordable need of 813 dwellings per annum across the HMA (371 in Runnymede, and 441 in Spelthorne);</p> <p>xvii) The draft SHMA suggests how the Private Rented Sector (PRS) may accommodate a significant element of the net affordable need. However as we have identified, High Court judgements and EiP decisions have confirmed how the PRS cannot be included in the definition of affordable need;</p>	<p>Support for this section of the report noted.</p> <p>Comment noted.</p> <p>See response provided previously on these points.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>xviii) The draft SHMA identifies how no upwards adjustment is made to provide more affordable homes. However it is considered that an increase to full OAN should be made to help alleviate the significant need identified by the draft SHMA.</p> <p>5.0 SUMMARY AND CONCLUSIONS</p> <p>5.1 This technical review has considered the draft SHMA (July 2015) prepared by GL Hearn for Runnymede Borough Council (RBC) and Spelthorne Borough Council (SBC). The draft SHMA is intended to inform the NPPF and PPG requirement to determine full objectively assessed need (OAN) for the Housing Market Area (HMA). The review of the draft SHMA presented in this study runs through the step-by-step approach to OAN.</p> <p>5.2 In short, it is considered that the draft SHMA methodology goes part of the way to determining full OAN in line with ID2a of the PPG and paragraph 159 of the NPPF, and the approach can generally be considered as reasonable. However it is considered that further adjustments need to be made to provide full OAN, as the conclusions are constrained. The main points to note are as follows:</p> <p>i) The draft SHMA's approach to the 'starting point estimate' complies with the PPG, using the latest ONS mid-year estimates (MYEs) to adjust the 2012-based CLG household projections published in February 2015. The 'starting point estimate' of OAN is therefore 434 dwellings per annum (dpa) in Runnymede Borough, and 945 dpa across the HMA, 2013-2033. This is considered to represent the correct 'starting point estimate'. However it is only the 'starting point estimate' of full OAN;</p>	<p>Comments noted.</p> <p>Comments noted.</p> <p>Support noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>ii) As Barton Willmore and the draft SHMA identify, the 2012-based CLG household formation rates (HFRs) are suppressed in the 25-34 age groups in RBC and SBC. An upward adjustment is therefore necessary to ensure the suppression is not projected forward. However rather than returning to HFR levels of 2001 by 2033 (the draft SHMA approach), Barton Willmore consider a more robust approach would be to provide a full return to the 2008-based CLG HFRs for the 25-44 age group by 2033;</p> <p>iii) The draft SHMA applies a 6% upward adjustment to alleviate worsening market signals (affordability) and suppressed HFRs. This approach is not considered to comply with the PPG, which addresses HFRs and market signals individually of each other. HFRs are not listed as a market signals in paragraph ID2a-019 of the PPG. Furthermore in the case of the Eastleigh Local Plan EiP, the Planning Inspector recommended an increase of 10%, solely to alleviate the worsening market signals of affordability and rents. Analysis of market signals in the SHMA suggests that a similar uplift is necessary, particularly in the case of Runnymede Borough;</p> <p>iv) The draft SHMA applies an upward adjustment to demographic-led OAN and the adjustment for worsening market signals, in order to accommodate labour force growth. The adjustment is made on the basis of summer 2013 Experian forecasts, which underpin the Enterprise M3 Housing Evidence Study;</p> <p>v) The approach is considered reasonable, underpinned by a robust source (Experian), and shows how an upward adjustment is clearly necessary in RBC and SBC to accommodate economic growth. However to fully comply with the NPPF and PPG, it is considered that the forecasts should be up to date (2015); a range of forecasting houses (Oxford Economics, Cambridge Econometrics, and Experian Economics) are considered; and past trends in job growth are also considered. This could</p>	<p>See response provided previously on this point.</p> <p>See response provided previously on this point.</p> <p>Comment noted.</p> <p>Comments noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>potentially lead to an increase in the level of OAN required (determined by the draft SHMA as 525 dpa in RBC and 725 dpa in Spelthorne);</p> <p>vi) There is significant affordable housing need in the HMA (371 affordable dpa in RBC, and 441 affordable dpa in SBC); however the draft SHMA makes no adjustment to meet affordable housing need due to many households living in the Private Rented Sector (PRS).</p> <p>vii) High Court judgements have confirmed how OAN should be increased where it could help deliver affordable homes. Furthermore these judgements and EiP decisions (Eastleigh) confirm how the PRS is not affordable housing as determined by the NPPF and PPG. Affordable need across the HMA equates to 813 affordable dwellings per annum, and OAN should be increased to help accommodate this need.</p> <p>Way Forward</p> <p>5.3 The draft SHMA determines OAN of between 459 and 525 dpa in RBC, and 543 and 725 dpa in SBC. The approach to determining OAN set out in the draft SHMA is considered reasonable, but is not considered to go far enough in establishing full OAN, for the reasons set out in this critique.</p> <p>5.4 Based on our analysis, it is therefore considered that the upper end of the range is the only figure which can be considered to represent OAN (525 dpa in RBC, and 725 in SBC). However consideration of Barton Willmore's approach to household formation rates; market signals; new economic evidence to be published by the Council; and some upward adjustment to help deliver affordable housing could justify a higher OAN for the HMA.</p>	<p>See response provided previously on this point.</p> <p>See response provided previously on this point.</p> <p>Comments noted.</p> <p>Comments noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
017	Barton Willmore on behalf of Explore Living Ltd	<p>On behalf of Explore Living Ltd, please find enclosed representations to the Draft Strategic Housing Market Assessment (May 2015).</p> <p>The attached report has been prepared by Barton Willmore National Research Team, and undertakes a Technical Review of the draft SHMA. It concludes that the approach of GL Hearn to assessing OAN is considered reasonable to an extent, however we conclude that in our view, the OAN steps have not been followed in full, and there is potential for the OAN figure to increase if our recommendations are followed.</p> <p>Explore Living has land interests in Chertsey, and presently has a planning application for up to 130 dwellings pending determination (ref. RU.15/0855). The site is an adopted Local Plan 'reserve allocation' and has been submitted in the light of the Councils need to maintain a 5-year supply of land for housing.</p> <p>It is anticipated that the application will be determined before any examination of the emerging Local Plan. These representations have been prepared on this basis, however, we reserve our right to amend or comment to any subsequent Local Plan consultations in this respect.</p> <p>RBC & SBC NOTE: The Technical Report referred to in this representation is the same as that for Crest Nicholson and has been considered in the response to representation 016.</p>	<p>Noted</p> <p>Noted.</p> <p>Noted</p>
018	Boyer on behalf of Ashill Group	<p>We are writing in response to the consultation on the draft Spelthorne and Runnymede Strategic Housing Market Assessment (SHMA) undertaken by consultants GL Hearn.</p> <p>We are writing on behalf of our clients Ashill Group who have land holdings in Runnymede district and as such, although we discuss the general methodology used, our comments are focused on the outputs</p>	<p>Noted.</p> <p>Noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>for Runnymede. Our comments provide a high level review of the methodology used and the outputs produced and focus primarily on the overall objective assessment of need.</p> <p>Overall, we consider that the methodology used is broadly in line with the National Planning Policy Framework (NPPF) and National Planning Policy Guidance (NPPG), however we do have some potentially significant concerns which we believe need further review before the objectively assessed need figure for Runnymede is finalised.</p> <p>Our key concerns are as follows:</p> <ul style="list-style-type: none"> • The use of DCLG household projections may inherently include suppressed household formation rates as they are based on a recessionary period. This is acknowledged by the SHMA and is factored into the market signals uplift however only includes corrected household formation rates for the 25 to 34 year old age group. Increasing household formation rates for other age groups do not seem to have been tested and therefore the impact that they may have is unclear. We feel that this is an important factor which should be considered given that the economy is improving and factors such as increased divorce rates and an ageing population could also see rates increasing in older age groups. • The demographic trends used for Runnymede are also representative of a period with reduced levels of migration (particularly from London), once again due to the recession. An alternative scenario has been modelled in the SHMA using a 12 year migration trend, which for Runnymede results in a higher annual figure of 550 dwellings per year; however this is not taken forward 	<p>Noted.</p> <p>Whilst suppression in HFRs for 25-44 year olds is noted, the evidence suggests this was most marked in the 25-34 demographic. There is a range of research which links affordability issues to these younger households. As such, if declining affordability has contributed to a drop in HFRs, particularly in younger age profiles, then an improvement in affordability should manifest in an increased number of younger households forming. As such, the draft SHMA does make a positive adjustment to improve affordability. This approach is considered robust and further adjustments for other age groups are not required. Further, the draft SHMA takes account of market factors such as increased regulation of the mortgage market and housebuilder sector capacity to ensure it is realistic. This means that a dramatic overnight upturn in household formation is unlikely.</p> <p>Noted, however the Inspector for Uttlesford in their conclusions dated 19 December (para 1.2) states that migration flows can be dynamic and unpredictable and was not convinced of departing from the current ONS approach. In any event the draft SHMA can only be a snapshot in time and would never be completed if continually awaiting or updating for the latest population/household projections.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>by the consultants for further analysis. It is acknowledged that this may be balanced out across the HMA as the figure for Spelthorne reduces in this scenario; however it is possibly underestimating need in Runnymede district.</p> <ul style="list-style-type: none"> There is a reasonable possibility that migration out of London will increase beyond past levels which has not been taken into consideration in the demographic analysis. In addition to general improvements in the economy, the 2013 London SHMA identified a need for around 49,000 homes per year in London compared to capacity for around 42,000 per year. This clearly leaves a shortfall which is likely to significantly impact migration and demand levels in neighbouring areas which needs to be considered in the analysis. In addition, existing and future welfare reforms which will cap housing benefit may result in much larger numbers of people migrating out of London into the surrounding areas where prices are comparably cheaper. The impact of the existing welfare reforms are not yet known as they came into force in 2013 and as such will not be reflected in the CLG figures and further caps are expected to be introduced in 2016. 	<p>Paragraph 16 of the PPG note on Housing & Economic Needs Assessments supports this, stating that housing assessments are not rendered outdated every time new projections are issued. The report takes account of increased net in migration from London.</p> <p>The demographic projections used in the draft SHMA all contain natural change (births/deaths) as well as UK and international migration which includes an element from London. This can be seen in the past trends outlined in Figure 38, p66 and projected growth in figure 43, p70. The message given by the Mayor of London is that the FALP will meet London's OAHN within the boundary of London, through the housing targets set out in Table 3.1 of the FALP of 42,000 per annum and with the provision of augmenting supply to meet the demand of 49,000 per annum in Policy 3.3. It is too early to say at this moment how any future London Plan will seek to address OAHN, whether this necessitates higher levels of out migration and what options for the London Plan will need to be considered. The Local Authorities of the wider south east are currently engaging with the Mayor over a series of round table discussions to consider how these aspects will be taken forward under the Duty to Cooperate in the next iteration of the London Plan.</p> <p>Until such time as an up to date iteration of the London Plan has been developed, including engaging with local authorities in the wider south east under the Duty to Cooperate, it is too early to conclude that Spelthorne & Runnymede will see an increase in outward migration from London. Outward migration from London will be higher in some local authority areas outside of the London Plan boundary but this does not imply that this will be the case for all local authority areas. This will very much depend on the Plan's strategy in terms of its approach to land supply and what this means for certain restrictive designations. This also depends on whether areas for growth outside of the London Plan boundary can be agreed with authorities in the wider south east under the Duty to Cooperate and</p>

Rep No	Representor	Summary of comments made	Officer Response
		<ul style="list-style-type: none"> <li data-bbox="450 735 1312 1230">• The upward adjustment of 6% based on the market signals seems to be extremely low given the affordability pressures facing the area and the need for affordable housing. The market signals analysis concludes that “affordability pressures in the HMA are significant. House prices are above the South East average. Entry level house prices are 9 or more times the typical earnings of younger households compared to a ratio of 6.4 nationally”. In addition, the affordable housing analysis suggests that to meet affordable housing need in a full there would be a need for 371 affordable homes per annum in Runnymede. Whilst this does not necessary directly relate to the objective assessment in quantitative terms, it does highlight the potential scale of housing required to address affordability and shows how the additional 6% (25 homes per annum) added as a market adjustment will do little to improve affordability in the district. <li data-bbox="450 1294 1312 1390">• In summary, we feel that the objectively assessed housing need figure is likely to be higher than identified in the SHMA for Runnymede district. If the longer term migration trend figure is used, the 	<p data-bbox="1346 217 2179 671">what this will mean for the overall level of outmigration and where/when this would occur. This is something which will need to be examined further rather than assume a uniform level of out migration to Spelthorne/Runnymede based on the London SHMA. Further the Inspector in their initial findings on the now withdrawn Local Plan for Uttlesford (Essex) found that the 2012 SNPP projections already reflected in-migration from London. The Inspector was not convinced that unmet need arising from the FALP would bear much weight in assessing OAN as it was unclear what mechanisms, let alone solutions for delivery over the wider south east would be considered in the future. Nevertheless, for completeness, further sensitivity testing will be applied to the SHMA to account for the migration assumptions in the London SHMA.</p> <p data-bbox="1346 735 2179 1086">The approach used in the draft SHMA has been found sound at other Local Plan examinations such as Chichester and Horsham. Furthermore, in other examples such as Stratford-on-Avon an Inspector found no case for any adjustment. In Crawley an Inspector did not consider a 10% adjustment put forward by the authority in response to Eastleigh (where a 10% uplift was recommended) was necessary. Overall, it is considered that Inspectors have taken a range of approaches to address the issue of market signals. The approach taken in the draft SHMA is considered to be robust however and a further upward adjustment for market signals not required.</p> <p data-bbox="1346 1294 1547 1318">Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>demographically assessed requirement would be around 550 dwellings per year. With the existing 6% market uplift this would rise to 583 dwellings per year, although as set out above this uplift may also need to increase further following further investigation of household formation rates.</p> <ul style="list-style-type: none"> The SHMA also includes an economic led scenario which estimates a requirement for 525 dwellings per year however states that further work on this is currently being undertaken by the councils which will need to be reviewed once completed and compared to any revised assessment of the demographically assessed need. This would be particularly important if the councils plan to constrain employment projections to available employment land as suggested in the SHMA which could be contrary to the NPPG, particularly if it then reduces the housing need figure to below the demographically assessed need figure. <p>In conclusion, we feel that further work is required before the final objective assessment of need can be determined and that need in Runnymede could potentially be higher than identified in the draft SHMA. This is based on further demographic work as outlined above along with consideration of an increased market signals uplift based on the affordability issues highlighted in the SHMA.</p>	<p>Noted. As stated in the SHMA, further work on economic forecasts will be undertaken. These future projections will not be constrained to employment land supply.</p> <p>Comment noted.</p>
019	Mrs Caroline Nichols	<p>Thank you for advising me about this report. Three issues that I would ask you to consider are:</p> <p>1) Spelthorne's relationship to London for future housing migration 2) Surrey County Council's longstanding cautionary advice that Spelthorne's physical environment constrains the number of houses that can be built 3) The extent to which the assumption that current market valuations are an accurate indicator of future housing needs may be erroneous.</p>	<p>Summary of key points noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>SPELTHORNE'S RELATIONSHIP TO LONDON FOR FUTURE HOUSING MIGRATION</p> <p>The report uses existing housing migration movements to justify a combined approach with Runnymede Council for housing need. Working with Runnymede because they are adjacent boroughs is reasonable enough but the argument that the socio-economic links are strong based on a very modest 5 percent housing movement between the two boroughs - and therefore Spelthorne should only work with Runnymede - is weak.</p> <p>Depending on what type of housing is built and where it is located within Spelthorne will affect future movements. For example – if developers are allowed to build 1500 or more medium value homes on Kempton Park this will attract the young upwardly mobile young families from the Borough of Richmond exacerbating a trend which is already emerging in Lower Sunbury. On the other hand if nothing but social housing is built and it mostly located in Staines, Spelthorne may attract residents from Runnymede's housing list as there is a relatively strong relationship between Staines and Addlestone.</p>	<p>Housing movement between Runnymede and Spelthorne is not the only evidence to suggest that the two authority areas form a single housing market area. Evidence on travel to work/commuting and house prices has also been considered. Whilst links to other areas such as Elmbridge, Hounslow & Woking were found and recognised, the strongest links are between Spelthorne/Runnymede.</p> <p>Spelthorne operates a choice based lettings scheme in partnership with Elmbridge which allows those on the housing register to bid for properties in Spelthorne or Elmbridge (and persons on the Elmbridge housing list to bid for properties in Spelthorne). Whilst this could see cross migration, evidence to date is that very few Elmbridge residents on their housing list bid for properties in Spelthorne. Runnymede is no longer in partnership with Spelthorne/Elmbridge and as such affordable housing built in Spelthorne would not be offered to Runnymede's residents. The point regarding market housing attracting people from outside of the housing market area is noted, however the planning system cannot place restrictions on where house buyers will come from. However, Spelthorne & Runnymede are working together under the Duty to Cooperate to emphasise that neighbouring authority areas make every effort to meet their objectively assessed housing needs, although we recognise the difficulties of this as neighbouring authority areas face similar constraints to development as Spelthorne & Runnymede.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>London's expanding population in the face of very high private sector house prices is a regular feature in the London media which expresses concern about the flight of some social groups completely from particular areas leaving the potential for distorted community structures. Spelthorne's proximity to London means it will capture some of this movement if London fails to ameliorate housing trends.</p> <p>RECOMMENDATION: From Spelthorne's view point formal liaison with London for housing planning is essential.</p> <p>SURREY COUNTY COUNCIL CAUTIONARY REPORT ON PHYSICAL CONSTRAINTS FOR HOUSE BUILDING IN SPELTHORNE</p> <p>There is a report somewhere in SCC's files (and I am sorry I do not have a copy) written about 15 years ago to the former SE Regional Planning Authority in which SCC made a special case for reducing the housing targets in Spelthorne on the grounds of its physical geography. This request was the exception; SCC did not make the same request for other parts of Surrey south of the river Thames which it thought could sustain increased housing numbers. If the housing numbers challenged by Surrey County Council's multidisciplinary planning professionals were too high 15 years ago, and bearing in mind that many houses have been built in Spelthorne since then, how can the targets implied in the G L Hearn report be sustainable?</p> <p>15 years ago SCC argued that 65% of land in Spelthorne was not equally available for development because of the juxtaposition of reservoirs, flood plains, gravel working and the road network and the need to retain Green Belt for the amelioration of an otherwise poor physical environment. SCC argued that existing residents were entitled to a basic quality of life and recognised that for large parts of Spelthorne the general environment was poor and further development would only</p>	<p>Noted. The Mayor of London and authorities from the wider south east (south east and east of England) have begun discussion as to how they will cooperate with one another for the next iteration of the London Plan. This may include discussions around housing growth and how London will meet its own needs or if it can't, how those needs will be met. These discussions are at a very early stage but Spelthorne has been engaged and attended meetings. Further details on the process and discussions so far can be found on the GLA website</p> <p>The housing need figures in the draft SHMA are not targets, they are an assessment of housing needs (both market & affordable) across the housing market area without taking into account any constraints, which is consistent with the Government's methodology set out in the PPG note on Housing & Economic Needs Assessments and which has been supported through the courts. However, the SHMA is one piece of the evidence to support both Spelthorne & Runnymede's Local Plans and other considerations will need to be taken into account such as constraints, land supply and infrastructure capacity in order to inform a sustainable housing target. Officers at Spelthorne have liaised with Surrey County Council and neither authority can find or recollect SCC making the comments as suggested. However, as stated above, both authorities will need to consider demand against other considerations and this is an exercise that will be undertaken as part of both authorities Local Plan process.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>make things worse.</p> <p>RECOMMENDATION: Liaise with Surrey County Council to locate the report and test the assumptions of GL Hearn's report against it.</p> <p>THE ASSUMPTION THAT CURRENT MARKET VALUATIONS CORRECTLY ACCOUNT FOR FUTURE NEED IS ERRONEOUS</p> <p>This point is a discussion of the limitation of neo-liberal economics for planning the physical and social environments of where people live. To give you an example – 20 years before the American city of Detroit collapsed and became a wasteland there was no expectation of the changing nature of the car industry and therefore no transition to emerging industries to stem the economic decline of that once great city. One of the inevitable consequences was social disintegration and the collapse of the housing market.</p> <p>Let's give a hypothetical scenario for Spelthorne. Let's say, in the response to the expansion of London, not only does Heathrow expansion happen but a future government decides that a major railway is needed that bisects Spelthorne to the West Country. The housing response might be that wealthier residents will move out leaving Spelthorne capable of meeting its housing needs as house prices fall. Although this scenario may be unlikely the point is that 'markets' can change surprisingly rapidly and therefore should not be relied on as a planning tool. And to refer back to my point about Spelthorne's relationship to London: wider regional developments will impact on local markets both in space and over time making forecasts based on current prices inaccurate.</p> <p>If we think about this positively, consider that before the new towns like Harlow were built there was no demand at those locations – yet these</p>	<p>Comment noted.</p> <p>Point regarding changing markets is noted. The NPPF states that Local Plans should meet objectively assessed needs with sufficient flexibility to adapt to rapid change (para 14) and take account of market signals such as land prices and housing affordability (para 17 bullet 3). Further, should monitoring indicate that markets have changed significantly and are at odds with housing targets or a spatial strategy of an adopted Local Plan there is nothing to stop either Spelthorne or Runnymede from undertaking a review of Policies or the Plan as a whole to respond to this.</p> <p>The issue with respect to London and wider regional planning is noted and as set out above is already under discussion with the Mayor and authorities from the wider south east, although there is no longer a formal regional tier of planning outside of London following the abolition of regional strategies under the last coalition government. Rather this will now need to be progressed under the Duty to</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>towns went on to become highly successful because they were part of a regional plan that combined economic and social policies with land use planning rather than keeping these activities in separate boxes.</p> <p>RECOMMENDATION: The report should emphasise the limitation of existing market prices as a planning tool and strengthen the recommendation concerning 'duty to co-operate' with adjacent boroughs; Spelthorne and Runnymede should be part of a wider formal regional planning process that recognises their proximity to London.</p>	<p>Cooperate.</p> <p>As noted above formal regional planning was abolished by the last coalition government and discussions are progressing with the Mayor and authorities from the wider south east. The duty to cooperate is a legal duty and as such further emphasis in the SHMA is not required.</p>
020	CBRE	<p>Thank you for the opportunity to comment on the above referenced document, and attend GL Hearn's presentation of the draft report on 13th July. CBRE is planning advisor to a number of landowners with an interest in the Runnymede Borough Council area.</p> <p>We understand that one of the primary purposes of the SHMA is to ascertain the Council's Objectively Assessed Housing Needs (OAN) – which will in turn feed into the Council's Housing Target for the Local Plan.</p> <p>We note that the Objectively Assessed Housing for Runnymede is considered from the SHMA assessment to be between 459 dwellings per annum (dpa) taking into account the latest official Government household projections from 2012 and market signals; and 525 dpa taking into account employment growth (assuming that the authority has the land available to accommodate the anticipated employment growth). We understand that these figures do not take into account the recent Government announcement regarding the potential third runway at London Heathrow Airport.</p>	<p>Noted.</p> <p>Noted.</p> <p>This is an accurate summary on these points.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Paragraph 47 of the NPPF states (inter alia) that: ‘to boost significantly the supply of housing, 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, including identifying key sites which are critical to the delivery of the housing strategy over the plan period...’. Although it is acknowledged that any future development at Heathrow will not come forward until the end of the plan period, this will have a significant impact on housing demand in Runnymede. As such, we consider that the upper range figure of 525 dpa should be planned to be accommodated (taking into account the constraints of the Borough), so as to positively plan for the future and prevent a severe lack of housing to meet likely demand in the future.</p> <p>The identified OAN, even at the lower end of the range, is a material increase from the Council’s ‘working’ housing target of 400 dpa. In order to plan positively to meet housing demand it is likely that an element of Green Belt release will be required within the Borough, and note that this needs to be done in the most appropriate and sustainable way. We recognise that Green Belt is a constraint in many parts of Runnymede, and that the Council is currently working on a technical Green Belt review.</p>	<p>Noted, however in regard to the possible expansion at Heathrow Airport, although the recommendations of the Davies Commission have been issued, the Government is yet to make a decision on airport expansion (which we are hoping for later this year). Even when a decision on airport expansion has been made by the Government, it will still then be some time before the impact of any proposed expansion at Heathrow on the nearby boroughs can be properly evidenced and understood. As such for the foreseeable future we will not be able to assess the impact of a possible expansion at Heathrow Airport in the SHMA. Officers accept however that when we are further progressed with the preparation of both Boroughs’ Local Plans, if expansion at Heathrow does get approved, our evidence may need refreshing to take account of any evidence produced which quantifies what the impacts for the Runnymede-Spelthorne HMA will be. In such a scenario, both authorities will need to work with Heathrow Airports Ltd and neighbouring authorities under the DTC to understand the impact of expansion, the role that improved public transport could play in labour supply and the effect this could have on housing needs. Additional text will be added to the SHMA to clarify the existing situation. Further, the higher housing need figures reflected in the draft SHMA are based on economic forecasts which require updating.</p> <p>Noted. The OAN will need to be considered against constraints, land supply and infrastructure capacity. The Runnymede Green Belt Review carried out by Arup is now available to view on the Runnymede website. The technical review of the Green Belt boundary is to be published later this year.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>This is welcomed, and we note that paragraph 83 of the NPPF notes that Green Belt boundaries should only be altered in exceptional circumstances, through the preparation or review of the Local Plan. At that time, authorities should consider the Green Belt boundaries having regard to their intended permanence in the long term, so that they should be capable of enduring beyond the plan period. As such, we consider that the Council should continue to investigate the possibility of Green Belt release in in the most sustainable locations, such as those adjacent to existing settlements close to transport corridors and local services/ infrastructure to promote sustainable patterns of development in line with paragraph 84 of the NPPF.</p> <p>We also note that regard to the future mix of unit sizes, the SHMA recommends that strategic policies in the Local Plan should be informed by a broad housing mix of 15% 1 bed, 30% 2 bed, 40% 3 bed and 15% 4+ bed – however, within this it is recognised that there is a higher need for smaller affordable units and larger private units. In taking these recommendations forward (at the appropriate stage) we would note that this should be formulated into a strategic/ borough wide policy for an overall mix, as opposed to each individual site needing to adhere to a prescribed mix – as different types of units are appropriate on different sites and in different locations.</p>	<p>Noted, but this is a matter for plan making rather than for the draft SHMA.</p> <p>Noted.</p>
021	Mr Lawrence Nichols	<p>This document constitutes probably the most serious threat to the quality of life in Spelthorne on record. It proposes that the overall level of housing stock should be increased by 25%. Given that the existing Spelthorne Plan includes the fact that 65% of the Borough is Green Belt, it is impossible to believe this level of change would not fundamentally alter the character of the area. This is not something that local people want or would regard as acceptable.</p>	<p>Noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>The document produced by GL Hearn for Spelthorne and Runnymede runs to 185 pages. This compares to the Greater London document which needs only 119 pages to cover the needs of the whole of London, currently just under 9m people. The GL Hearn document is far harder to read and to extract the essence; it appears to be constructed to maximise the complexity and prevent the general public from accessing this vital assessment.</p> <p>This document will be used by developers to justify their applications to build beyond the current parameters. By ignoring the context this document provides all the evidence they need to demonstrate why special circumstances exist. It is all but certain that developers will use this document to justify applications to develop in the Green Belt.</p> <p>Spelthorne Council should take every opportunity to make it clear that it does not accept the practicality or acceptability of the level of development implied by this SHMA. That it describes itself as “objective” does not remove the fact that it is impractical and represents an unacceptable level of development for the area.</p> <p>The assessment of annual need for housing based on economic forecasts (page 14 and figure 133) is for 725 new homes per year, which equates 14,500 new dwellings over the next 20 years. It is the nature of the</p>	<p>Noted, however the draft SHMA does contain an Executive Summary which summarises the findings of each different part of the assessment to aid accessibility.</p> <p>The SHMA can only consider the need for housing without any constraints or a so called ‘policy off’ approach. This approach has been recognised as the correct approach by the Courts. However, it will be for both authorities to determine how much housing need identified in the SHMA they can deliver in the face of constraints, land supply and infrastructure capacity. Furthermore it should be noted that the Government has confirmed through a number of ministerial statements that the Secretary of State wishes to make clear that, in considering planning applications, although each case will depend on its facts, he considers that the single issue of unmet demand, whether for traveller sites or for conventional housing, is unlikely to outweigh harm to the green belt and other harm to constitute the ‘very special circumstances’ justifying inappropriate development in the green belt (Brandon Lewis, July 2013).</p> <p>Noted, as stated above it will be for both authorities determine how much housing need identified in the SHMA can be delivered.</p> <p>Again the SHMA is one piece of evidence that only looks at housing needs. Other evidence will need to be considered when forming a housing target in a Local Plan.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>report that it does not have to specify where these are to be built but it undeniable that, if achieved, this level of building would completely change the character of the Borough, and not for the better. The existing target of 166 new homes per year has had a significant impact on local communities, particularly in Sunbury, and so it is not hard to image the damage that 725 additional units per year would do.</p> <p>The SHMA spends 26 pages trying to justify why Spelthorne and Runnymede are linked as a housing market. It is clear from reading this section that the link is extremely tenuous and the joint SHMA arises from the need to have a link with someone and not from any profound sense of a genuinely shared housing market. Demographically and statistically the link is not proven.</p> <p>The whole approach of the SHMA is materially undermined by the failure to consider any net migration from London or the impact of the likely expansion of Heathrow. The total failure to consider either of these factors renders the analysis both inaccurate and irrelevant. These factors lie outside of the statistical trends upon which the report is based and therefore invalidate it as a reliable basis for planning.</p>	<p>Not agreed. There are a number of different indicators to consider in establishing whether different areas fall within the same housing market area as defined in the PPG. The draft SHMA considers a number of indicators as set out in the PPG note on housing and economic needs assessments such as migration, travel to work/commuting and house prices/rents. These indicators show that whilst there are links to other areas such as Elmbridge, Hounslow and Woking the strongest links are between Spelthorne/Runnymede.</p> <p>The demographic projections used in the draft SHMA all contain natural change (births/deaths) as well as UK and international migration which includes an element from London. This can be seen in the past trends outlined in Figure 38 p66 and projected growth in figure 43 p70. The message given by the Mayor of London is that the FALP will meet London's OAHN within the boundary of London, through the housing targets set out in Table 3.1 of the FALP of 42,000 per annum and with the provision of augmenting supply to meet the demand of 49,000 per annum in Policy 3.3. It is too early to say at this moment how any future London Plan will seek to address OAHN and whether this necessitates higher levels of out migration and what options for the London Plan will need to be considered. The Local Authorities of the wider south east are currently engaging with the Mayor over a series of round table discussions to consider how these aspects will be taken forward under the Duty to Cooperate in the next iteration of the London Plan.</p>

Rep No	Representor	Summary of comments made	Officer Response
			<p>Until such time as an up to date iteration of the London Plan has been developed, including engaging with local authorities in the wider south east under the Duty to Cooperate, it is too early to conclude that Spelthorne & Runnymede will see an increase in outward migration from London. Outward migration from London will be higher in some local authority areas outside of the London Plan boundary but this does not imply that this will be the case for all local authority areas. This will very much depend on the Plan's strategy in terms of its approach to land supply and what this means for certain restrictive designations. This also depends on whether areas for growth outside of the London Plan boundary can be agreed with authorities in the wider south east under the Duty to Cooperate and what this will mean for the overall level of outmigration and where/when this would occur. This is something which will need to be examined further rather than assume a uniform level of out migration to Spelthorne/Runnymede based on the London SHMA. Further the Inspector in their initial findings on the now withdrawn Local Plan for Uttlesford (Essex) found that the 2012 SNPP projections already reflected in-migration from London. The Inspector was not convinced that unmet need arising from the FALP would bear much weight in assessing OAN as it was unclear what mechanisms, let alone solutions for delivery over the wider south east would be considered in the future. Nevertheless, for completeness, further sensitivity testing will be applied to the SHMA to account for the migration assumptions in the London SHMA.</p> <p>In regard to the possible expansion at Heathrow Airport, although the recommendations of the Davies Commission have been issued, the Government is yet to make a decision on airport expansion (which we are hoping for later this year). Even when a decision on airport expansion has been made by the Government, it will still then be some time before the impact of any proposed expansion at Heathrow on the nearby boroughs can be properly evidenced and understood.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>The employment assumptions (Fig 89) used to underpin some of the growth rates are demonstrably unrealistic. Recent trends indicate that the level of employment anticipated will not be delivered. Furthermore there is no land availability to cater for the increases in employment and this was verbally accepted by GL Hearn in response to questions during their presentation in July. The current low level of unemployment does not support the predicted level of jobs growth. Spelthorne Council should make it clear that the level of employment uplift indicated is not realistic and will not be achieved. The housing growth attributable to the estimate should be totally discounted.</p> <p>The Borough has a number of environmental factors that should be considered. In the last few years the issue of potential flooding has unfortunately come to the fore. The risk of building in flood areas should not be ignored. The Borough is also expected to deliver large quantities of gravel. The pressure on the environment is extreme and must be considered in what is achievable.</p>	<p>As such for the foreseeable future we will not be able to assess the impact of a possible expansion at Heathrow Airport in the SHMA. Officers accept however that when we are further progressed with the preparation of both Boroughs' Local Plans, if expansion at Heathrow does get approved, our evidence may need refreshing to take account of any evidence produced which quantifies what the impacts for the Runnymede-Spelthorne HMA will be. In such a scenario, both authorities will need to work with Heathrow Airports Ltd and neighbouring authorities under the DtC to understand the impact of expansion, the role that improved public transport could play in labour supply and the effect this could have on housing needs. Additional text will be added to the SHMA to clarify the existing situation.</p> <p>Noted. The Experian 2013 forecasts were the most up to date at the time of the draft SHMA. However, as is caveated in the draft SHMA, further work around economic/employment forecasting is required and will feed into an update/supplementary report. Therefore the draft SHMA is clear that both authorities intend to undertake further economic work. However, as with considering demographic needs, issues of land supply and/or constraints to economic development should not be included within the forecasting as it should remain a 'policy off' approach.</p> <p>It is not for the SHMA to consider constraints in determining a housing needs figure. However, these will be considered as part of the evidence to determine housing targets.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>There are numerous infrastructure issues in the Borough which make development on the proposed scale unacceptable. The public transport infrastructure is very weak and there is a heavy reliance on cars for commuting, with regular traffic gridlock in those parts of the Borough most attractive to developers. The bus and trains routes are focused on very few destinations and are totally inadequate to support the proposed level of population increase. Recent trends have been to reduce public transport and not to increase it.</p> <p>If there is no action on the part of Spelthorne Council to reject this report, I have no doubt that that the following will come to pass:</p> <p>a) Developers will welcome this report and see it as giving them the green light to attack the Green Belt as the only way to meet the defined need. We can expect to see this tested by speculative applications which the developer will expect to have rejected and then take them to appeal.</p> <p>b) Spelthorne's political leadership will throw up their collective hands in horror and say there is nothing they can do.</p>	<p>As above, these are issues which will be considered as part of determining housing targets.</p> <p>This could occur even without the SHMA or a review of the Local Plan.</p>
022	Lower Sunbury Residents Association (LOSRA)	<p>1. The SHMA was discussed at length at our most recent Committee and the observations which follow accurately reflect the sentiments expressed by our members.</p> <p>We would register our complete dissatisfaction regarding the nature and management of the process by which this document has been belatedly made available to the public and interested groups, and the timetable for responses to be made. Spelthorne has repeatedly, and quite improperly, attempted to keep this report secret for as long as possible, and deny interested parties access to it, while Runnymede Council has been much more open about the process.</p>	<p>Noted.</p> <p>Noted. Spelthorne has not attempted to keep the report secret but waited to publish the draft when considered fit for consultation rather than make public a partially completed draft report.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>The report has taken perhaps as long as eighteen months to prepare. It has been done by a professional consultancy at a cost, we understand, of about £30,000, and is of huge substance and complexity. Spelthorne has now asked lay individuals and organisations, who are not full-time professionals in this subject, to respond in detail within a matter of a few weeks. This is hopelessly unreasonably and unrealistic, and is patently unfair – we can only surmise that Spelthorne, knowing the sensitivity of the subject, wish to minimise the apparent opposition and objections to the report for its own purposes.</p> <p>We would therefore make the point that this is essentially an interim response designed to lay down a marker as to our position on it, and we reserve the right to expand on these broad observations, and comment and, if necessary, challenge the SHMA findings at a later stage if we feel it is appropriate or relevant, as other L.P. ongoing or future studies are being developed on housing land availability, infrastructure capacities and any green belt assessments that would lead to housing targets being developed. This would include representations at an Examination In Public, and this is a matter which would be raised with the Inspector at that time.</p> <p>2. There are a few key areas of the SHMA that we believe may have to be considered further or alternative methodologies developed to test the robustness of the housing need numbers, as follows :</p>	<p>Noted, the length of time taken to get to a draft report reflects the technical nature of the work. The SHMA will eventually form part of the evidence base which will support both the Spelthorne & Runnymede Local Plans. As such it is not a statutory document and therefore there is no guidance on the length of consultation. However, both authorities considered 4 weeks to be a reasonable amount of time to make views known. Further, there was an opportunity for stakeholders to attend a presentation by the Councils consultant on the draft SHMA at Spelthorne Council Offices on the 13 July and to ask questions. It is noted that two members of LOSRA attended the event. As such, both authorities consider that all parties have had sufficient opportunity to make their views known. The study also contained an Executive Summary to assist the lay reader.</p> <p>Noted. There will be further opportunities to comment on either Council's evidence base during the formal consultation process on their Local Plans and if necessary at EiP before an independent Inspector.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Mr Derbyshire of Spelthorne Council has stated: “Please note that the draft study is an item of technical evidence which has been prepared in line with accepted methodologies. As such, any comments which propose an alternative methodology should be fully justified with evidence as to why this would be preferable to the methodology used in the draft study”</p> <p>However the NPPF clearly states in Para 014 Ref ID: 2a-014-20140306: “Establishing future need for housing is not an exact science. No single approach will provide a definitive answer.”</p> <p>Despite the clear guidance in the NPPF, it is clear that the consultants have relied on a single methodology, and that Mr. Derbyshire appears to be trying to justify this. The NPPF guidance does not require that an alternative methodology would necessarily be preferable – they would simply be accepted alternative methodologies, the results of which would necessarily need to be considered alongside that used in the report.</p> <p>As noted in 1.above, the time made available (i.e. a few weeks) for individuals and organisations a) to identify alternative methodologies and b) do the necessary research based on them, is simply ludicrously inadequate, and we reserve the right to make later representations on this matter, i.e. the possibility of using alternative methodologies, and the results of research based on them, if it is deemed appropriate.</p>	<p>This note was placed on correspondence from both Runnymede and Spelthorne.</p> <p>Both authorities are well aware of Para 14 Ref ID:2a-014-20140306 of the PPG, however the same PPG note also states in para 05 Ref ID:2a-005-20140306 <i>‘There is no one methodological approach or use of a particular dataset(s) that will provide a definitive assessment of development need. But the use of this standard methodology set out in this guidance is strongly recommended because it will ensure that the assessment findings are transparently prepared. Local planning authorities may consider departing from the methodology, but they should explain why their particular local circumstances have led them to adopt a different approach where this is the case.’</i></p> <p>As such, unless there are local circumstances which indicate otherwise there is no justification for using an alternative methodology to the PPG. Neither Spelthorne nor Runnymede is aware of any relevant local circumstances which would warrant a departure from the methodology as set out in the PPG.</p> <p>See response above on this point.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3. We are not convinced that, as stated, that there is “clear justification” for the additional uplift of 57 dwellings per year for ‘market signals’. The uplift appears to be argued more in terms of ‘constrained’ household formation levels, rather than market signals. This may have led to an element of double counting, particularly as the ‘demographic need’ dwelling numbers are based on the official Government household 2012 projections published in February 2015.</p> <p>4. The Draft SHMA follows the PPG guidance for considering economic growth and the potential need for additional housing. But as mentioned in the report, one of the main constraints of the ‘Experian’ projections is that they do not take into account capacity for employment land. Although the Draft SHMA is looking at housing need and not housing targets, it is clear that lack of employment land in Spelthorne will be a major constraint. The current Spelthorne Local Plan housing target when agreed at 166 dwellings p.a. was heavily constrained by lack of available land, including employment land. So we believe that a further increase in housing need to support economic growth of 182 dwellings p.a. in Spelthorne (75% of the total assessed of 248 in the HMA) is highly misleading.</p> <p>5. We fully appreciate, as set out in the NPPF and PPG, that the guidance states that the latest national housing projections should be used with relevant sensitivity analyses and that the SHMA should be assessing</p>	<p>The PPG note in para 019 Ref ID: 2a-019-20140306 sets out a series of issues which could be considered as market signals and these have been considered in Section 6 of the draft SHMA. The section on market signals considers whether there is any evidence of supply and demand imbalance. These show that affordability has decreased, and that there have been increases in the level of reliance on the PRS sector, over-crowding has increased etc. Where these signals diverge from wider comparators an uplift should be applied. As stated the NPPF doesn’t set out how this uplift should be applied. We have set out the rationale for this within the report and it is an approach approved by Inspectors at Horsham. Hence the justification for considering partially returning the household formation rate of the 25-34 demographic back to pre-recession levels as these would not be factored into the 2012 household projections and evidence suggests that suppression was most marked in the 25-34 demographic.</p> <p>The SHMA cannot take into account constraints such as housing land supply or the supply of land for economic development and how this may affect the growth/need for jobs in the area. As such the housing need figures based on the economic forecasts assume a level of unconstrained job growth. This will need to be considered further in both authorities’ local plans in terms of the balance between jobs and homes across the housing market area and functional economic area and against constraints, land supply and infrastructure capacity. Both authorities have committed to updating the employment forecasts to better reflect the local employment market which will feed into an update/supplementary report.</p> <p>Agreed, however the SHMA is required by para 159 of the NPPF. It is important to note that the SHMA is not the only piece of evidence required to support Local Plans and other issues such as constraints</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>housing need, unconstrained by other factors such as land availability, infrastructure (including transport, education, health, etc.) and Green Belt. However, when the current adopted Local Plan housing target is only 166 dwellings p.a., constrained through the previous Local Plan process by these factors, and the potential future need is being assessed as high as 725 dwellings p.a., it is unnecessarily alarming and potentially, in the end, an expensive theoretical paper exercise, when it is highly likely that the physical realities of the issues constraining available land and economic growth in Spelthorne will necessarily dictate a much lower and more realistic housing target.</p> <p>We would emphasise that this is one of the most important and contentious subjects facing the residents of Spelthorne over coming years, and it is essential that the local authority takes all proper steps to engage with residents on the issue and give them a realistic and practical opportunity to contribute to the debate and the process surrounding it. We believe that to date, Spelthorne has not done this, and, worse, that it has taken this approach wilfully and because it has become an authority with a culture of inward-looking secrecy and lack of trust.</p> <p>This is not an acceptable situation, and unless the process is opened up to give a voice to individual residents and amenity groups among the “stakeholders” alongside the housing developers, so that those stakeholders who are to be given access to aspects of the process are accorded the possibility of making a real difference to the decisions and outcome, subsequent consultations on this issue will inevitably focus on the propriety of how the outcome was achieved.</p>	<p>jobs/homes balance, infrastructure capacity and Green Belt will need to be factored in when considering what is a sustainable housing target.</p> <p>Noted, however the draft SHMA has been the subject of public consultation which included:</p> <ul style="list-style-type: none"> - All parties held on both Council planning policy databases being informed of the consultation in writing; - The draft SHMA consultation advertised on both authorities web-sites at the same time; - A press release issued by Spelthorne on the 17 June; - An article appearing in the Surrey Advertiser on the 19 June stating that the draft SHMA would be available for comment from the 25 June; and - Informing members of the Spelthorne Business Forum of the draft SHMA consultation. <p>As well as the above, both authorities held a stakeholder event on 13 July 2015 to allow parties the opportunity of attending a presentation by the Council’s consultants and to ask questions. This was 3 weeks before the consultation end date.</p> <p>As such both Runnymede and Spelthorne consider that they have undertaken a reasonable and proportionate exercise to involve a number of stakeholders in the process including individuals and amenity societies.</p>

Rep No	Representor	Summary of comments made	Officer Response
023	Martin Leay on behalf of Kin Too Holdings	<p>1. Introduction</p> <p>1.1 This Representation and Response to the Draft Runnymede-Spelthorne Strategic Housing Market Assessment Report, by GL Hearne, is submitted on behalf of Kin Too Holdings – the owner of land at Sandylands Home Farm, Wick Road, Englefield Green, Egham TW20 0HJ.</p> <p>1.2 Advised by Stellican Limited, the company owner – Mr Stephen Julius – has identified the potential 4.9 hectare land area at Sandylands Home Farm as suitable for either a housing reserve site (having been classified previously as a fringe site) or more specifically for managed student accommodation – to be called Wick Hall and accessed from Blay’s Lane (off Wick Road) on the edge of Englefield Green.</p> <p>1.3 Public Exhibition/Community Consultation held on 9th December 2014. This event was hosted by:</p> <ul style="list-style-type: none"> • Stephen Julius, Owner and Director of Stellican Ltd • Andrew Iles of Wilmore-Iles, Architectural Practice, specialising in student accommodation • Martin Leay, Environmental Planner • Martin Hughes, Polity UK, public affairs and community planning specialist <p>1.4 Information displayed at the 9th December 2014 Exhibition was set out on four panels – of which, for information, copies are attached to this representation.</p>	<p>Noted.</p> <p>Noted, however this is not a matter for the draft SHMA.</p> <p>Noted.</p> <p>Noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>2. Strategic Housing Market Assessment, Final Draft Report</p> <p>2.1 Report paragraphs 9.68 – 9.73 address the issue of student housing and with the following matters noted:</p> <p>(i) Within the Borough there are approximately 2,600 all-student households.</p> <p>(ii) As noted within the RHUL masterplan “the Higher Education Sector is under increasing pressure to provide high quality accommodation in to order to attract the best students, both under-graduate and post-graduate”.</p> <p>(iii) The indication is given that by 2031, with the University hoping to increase student numbers to 12,000, there will be an increased capacity of University-owned accommodation by 2,650.</p> <p>(iv) Paragraph 9.73 states that: “The University is therefore likely to see an overall and percentage decrease in the number of students living off-campus. <u>However, this assumes that purpose-built accommodation will be constructed by others for students</u>, as is proposed at the former Brunel University site.” (MLA underlining)</p> <p>3. Representation Comments Shortfall of Student Accommodation</p> <p>3.1 Regardless of the planned expansion of the University, there is still a need now for more student accommodation and the supply of privately rented homes locally is under significant pressure.</p>	<p>Noted.</p> <p>Noted.</p> <p>Noted.</p> <p>Noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.2 With the acknowledgement that within the Borough there are approximately 2,600 all-student households (report paragraph 9.69) there is already an identified problem of “Studentification” in the area.</p> <p>3.3 With an anticipated increase in student numbers of 3,400, but with only an increased capacity of University-owned accommodation of 2,650, there is a shortfall of at least 750 student housing places to address the planned expansion of RHUL – but this figure does not include any additional student housing to address the already existing pressure on private-rented homes in the local area.</p> <p>3.4 The SHMA Report should therefore acknowledge the requirement for additional off-campus student accommodation that would be able to address and relieve the existing pressures on the supply of private rented homes in the Englefield Green area. Such a requirement is a “here and now” matter, let alone as a requirement to address the planned increase in student numbers.</p> <p>3.5 As a result of the above noted factors, RHUL has expressed its strong support for the Sandylands Home Farm site coming forward for off-campus student and staff accommodation.</p> <p>3.6 Whereas it is understood that the SHMA Report does not seek to identify individual sites suitable for student housing, the Report should nevertheless acknowledge the requirement for additional off-campus student accommodation.</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>Officers consider that the text contained in the SHMA on students and student housing is sufficient. The SHMA is not the appropriate place to set policy on student housing in the Borough. This will be considered in more detail during the Plan making process.</p> <p>Comment noted.</p> <p>Noted, but it is not the role of the SHMA to consider individual sites or land supply. This will be considered through the Strategic Housing Land Availability Assessment (SLAA) which both Authorities’ will need to undertake in due course.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>4. Promotion of the Wick Hall 4.9 Hectare Site for Managed Student Accommodation</p> <p>4.1 As set out on the attached four sheets from the 9th December 2014 Public Exhibition, the construction of new, managed student accommodation at Wick Hall would therefore not only underpin the continued success of RHUL, as an exceptional educational institution, but would also help to address the pressures and imbalance currently experienced in the local housing market, as a result of the pressures for off-campus accommodation for students attending RHUL.</p> <p>4.2 The summary sheet from the four Exhibition Boards sets out the distinct benefits which would be available through the development of managed student accommodation at the Sandylands Home Farm site and these are noted to include:</p> <ul style="list-style-type: none"> (i) Ability to meet existing needs for student accommodation; (ii) Use of a highly sustainable location, with excellent accessibility to the Royal Holloway Campus; (iii) Full support of Royal Holloway College; (iv) Complementarity to the University's Masterplan; (v) Ability to underpin the future of a world-class educational institution which offers cultural, economic and social benefits to the local area; (vi) Rapid delivery of the accommodation, to meet the planned growth of the University; (vii) Independently funded, with no cost or risk to the University; (viii) Containment within a site that has well-defined boundaries and which immediately borders the existing urban area i.e. it is "out of the village"; (ix) Exemplary design and use of high quality materials; (x) Professional management administered in conjunction with Royal Holloway's staff. Staff and security personnel would be present at all times; (xi) A layout which could ensure privacy is maintained for neighbours; 	<p>These are matters for the SLAA and the Local Plan process not the SHMA.</p> <p>These are matters for the SLAA and the Local Plan process not the SHMA.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>(xii) No requirement for high levels of parking, avoiding the attraction of vehicles to the area;</p> <p>(xiii) Reduction in the need for students to travel long distances, by removing reliance on the use of private vehicles which adds to local congestion and traffic;</p> <p>(xiv) A reduction of the pressure on local private rented sector housing, from the growing student population; and</p> <p>(xv) Freeing up of rented houses to offer improved choice to families looking to rent houses in Englefield Green.</p> <p>5. The Way Forward</p> <p>5.1 If it would assist Runnymede Borough Council to discuss any points within this Representation or as set out on the enclosed copy sheets of the December 2014 Exhibition Boards, then please do not hesitate to contact:</p>	Noted.
024	NLP on behalf of Terrence O'Rourke	<p>In response to your current consultation on the final draft Strategic Housing Market Assessment (SHMA) produced by GL Hearn dated May 2015, please find enclosed comments, which have been produced on our behalf by consultants Nathaniel Lichfield & Partners (NLP).</p> <p>In short, we have a number of concerns in relation to the calculation of an objectively assessed housing need (OAN) for both Runnymede and Spelthorne, when set against the guidance within the NPPF, the PPG, recent High Court judgements and Inspector considerations, notably:</p> <ul style="list-style-type: none"> • The failure to take into account the cross-boundary migration assumptions implicit within the recently adopted Further Alterations to the London Plan (FALP – March 2015); • The failure to accurately respond to market signals in formulating the OAN in relation to rising housing costs and 'concealed' 	<p>Noted.</p> <p>Comments noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		households;	
		<ul style="list-style-type: none"> The failure to utilise up-to-date employment forecasts; and The failure to adequately reflect affordable housing need within the OAN. <p>Additionally, it should be noted that new data sources (including 2014 mid-year estimates) have been made available since the draft was finalised and should be factored into the final report.</p> <p>NLP Comments</p> <p>Relevant High Court Judgments 'Solihull'</p> <p>2.6 The approach to objectively assessing housing needs and setting housing requirements (including the fundamental differences between the two) has been brought into sharp focus following the high court judgment '(1) Gallagher Homes Limited and (2) Lioncourt Homes Limited v Solihull Metropolitan Borough Council [2014] EWHC 1283', referred to as "Solihull", which reiterates the imperative need to firstly identify the full objectively assessed need for housing and then define a strategy which seeks to meet it, consistent with the NPPF. The Solihull judgment</p>	<p>Noted. However it must be acknowledged that the SHMA can only be a snapshot in time and would never be completed if continually awaiting or updating for the latest population/household projections. Paragraph 16 of the PPG note on <i>Housing & Economic Needs Assessments</i> supports this by stating that housing assessments are not rendered outdated every time new projections are issued. However, both authorities realise that an update(s) to the assessment will be required at some point in time, not least to test further economic projections. It is envisaged that it will be at this time that an update or supplementary report will take account of the latest population/household projections. A further update may also be required prior to the EiPs of both authorities. At the current time however the projections used in the SHMA are still considered robust.</p> <p>Reference to the Solihull case is noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>is useful in clarifying the distinction between objectively assessed housing need and a housing requirement as set out below.</p> <p>“ii) Full Objective Assessment of Need for Housing: This is the objectively assessed need for housing in an area, <u>leaving aside policy considerations</u>. It is therefore closely linked to the relevant household projection; but is not necessarily the same. An objective assessment of housing need may result in a different figure from that based on purely demographics if, e.g., the assessor considers that the household projection fails properly to take into account the effects of a major downturn (or upturn) in the economy that will affect future housing needs in an area. Nevertheless, where there are no such factors, objective assessment of need may be – and sometimes is – taken as being the same as the relevant household projection.</p> <p>iii) Housing Requirement: This is the figure which reflects, not only the assessed need for housing, but also any <u>policy considerations that might require that figure to be manipulated to determine the actual housing target for an area</u>. For example, built development in an area might be constrained by the extent of land which is the subject of policy protection, such as Green Belt or Areas of Outstanding Natural Beauty. Or it might be decided, as a matter of policy, to encourage or discourage particular migration reflected in demographic trends. Once these policy considerations have been applied to the figure for full objectively assessed need for housing in an area, the result is a “policy on” figure for housing requirement. Subject to it being determined by a proper process, the housing requirement figure will be the target against which housing supply will normally be measured.” (NLP Emphasis)”. </p>	

Rep No	Representor	Summary of comments made	Officer Response
		<p>'Satnam'</p> <p>2.7 Also relevant to this report is the more recent High Court judgment 'Satnam Millennium Limited and Warrington Borough Council [2015] EWHC 370', referred to as "Satnam". This sets out the importance and need to consider affordable housing needs within the conclusion on full, objectively assessed needs.</p> <p>'Oadby and Wigston'</p> <p>2.8 The role of policy considerations, in particular the Private Rented Sector ("PRS"), as part of objectively assessed housing needs have also been highlighted at the recent High Court Judgment 'Oadby and Wigston Borough Council and (1) Secretary of State for Communities and Local Government and (2) Bloor Homes Limited [2015] EWHC 1879', referred to as "Oadby and Wigston". The High Court Judgments provide clarification on how housing needs should be assessed, as well as highlighting the correct ways in which affordable housing needs should be considered as part of full, objectively assessed needs.</p> <p>Review of Objectively Assessed Housing Need</p> <p>3.1 NLP considers that there are a number of fundamental concerns in the SHMA in relation to calculating an objective assessment of housing need for Runnymede and Spelthorne Boroughs. A summary of GL Hearn's concluded OAN range is set out below in Table 3.1. A total of 1,002 dwellings per annum represents the figure at the lower end of the SHMA's identified range and 1,250 dwellings per annum represents the upper end.</p>	<p>Reference to the Satnam case is noted.</p> <p>Reference to the Oadby and Wigston case is noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response																				
		<p>Table 3.1 Summary of the draft Runnymede and Spelthorne SHMA (May 2015) conclusions on objectively assessed housing needs</p> <table><tr><th></th><th></th><th>Runnymede</th><th>Spelthorne</th><th>Total</th></tr><tr><td>Demographic Baseline</td><td>2012 SNPP and household projections</td><td>434</td><td>511</td><td>945</td></tr><tr><td>Adjustment to improve affordability</td><td>Improvement in headship rates which amounts to a 6% uplift</td><td>459</td><td>543</td><td>1,002</td></tr><tr><td>Economic Potential</td><td>To meet the economic potential of the Boroughs</td><td>525</td><td>725</td><td>1,250</td></tr></table> <p>Source: Draft Runnymede and Spelthorne SHMA–(May 2015)</p> <p>The Starting Point and Demographic-led Needs</p> <p>3.2 The PPG sets out that in assessing demographic-led housing needs DCLG Household Projections form the overall starting point for the estimate of housing need, but these may require adjustments to reflect future changes and local demographic factors which are not captured within the projections, given projections are trend based (ID 2a-015). In addition, it states that account should also be taken of ONS’ latest Mid-Year Estimates (MYEs) (ID 2a-017).</p> <p>3.3 The SHMA considers the housing needs based on the latest CLG 2012-based household projections over the period 2013 to 2033. It adjusts the projections to take into account the 2013 MYEs to arrive at projected household growth of 868 within the HMA over the period. A dwelling vacancy rate based on the 2011 Census has been applied to arrive at a dwelling need of 945 per annum. Understandably the SHMA</p>			Runnymede	Spelthorne	Total	Demographic Baseline	2012 SNPP and household projections	434	511	945	Adjustment to improve affordability	Improvement in headship rates which amounts to a 6% uplift	459	543	1,002	Economic Potential	To meet the economic potential of the Boroughs	525	725	1,250	<p>There is no emphasis in para 17 of the PPG note on <i>Housing & Economic Development Needs Assessments</i> that account should be taken of ONS latest Mid-Year Estimates, only the latest ‘Office of National Statistics population estimates’.</p> <p>Noted, however the reasons for using the 2013 MYE are as explained above.</p>
		Runnymede	Spelthorne	Total																			
Demographic Baseline	2012 SNPP and household projections	434	511	945																			
Adjustment to improve affordability	Improvement in headship rates which amounts to a 6% uplift	459	543	1,002																			
Economic Potential	To meet the economic potential of the Boroughs	525	725	1,250																			

Rep No	Representor	Summary of comments made	Officer Response
		<p>uses information available at the time of writing, however it should be noted that further data has now been published in the form of the 2014 MYEs.</p> <p>Population Change</p> <p>3.4 In addition, two further scenarios (one using a twelve-year migration trend and one taking account of unattributable population change ("UPC")) have been considered.</p> <p>3.5 UPC is the result of either mis-recording of the total population at the time of the Censuses, mis-recording of international migration or mis-recording of internal migration within the UK (between Local Authorities). Given that the source of unattributable population change is unknown, ONS exclude this from the 2012 SNPP and advise that it should not be included as part of population projections.</p> <p>3.6 The SHMA states that for the HMA, unattributable population change between the 2001 and 2011 Censuses was negative, and that (para 4.37) "...this suggests that the components of change feeding into the SNPP may slightly overestimate migration and population growth...". This is incorrect; it is entirely plausible that the unattributable population component has arisen through a mis-recording of the total population at each of the Censuses, and that it is not attributable to migration. This scenario forms an unsound basis for projecting future population growth.</p> <p>3.7 However, having assessed these two alternative scenarios, the SHMA concludes that neither represent as robust an assessment of demographic change as the 2012 SNPP scenario (adjusted for the 2013 MYEs) and as such this remains the starting point for assessing housing needs.</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>The UPC scenario is not recommended to be taken forward. See para 4.41.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Household Projections</p> <p>3.8 The PPG (2a-015) indicates, in respect of household projections, that: “The household projections are trend based, i.e. they provide the household levels and structures that would result if the assumptions based on previous demographic trends in the population and rates of household formation were to be realised in practice... ...The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demographic and household formation which are not captured in past trends...rates may have been suppressed historically by under-supply and worsening affordability of housing...”</p> <p>3.9 The SHMA notes that, particularly in 25-34 age group there is a deviation in household formation trends in the 2012-based household projections compared with historic levels and the rates projected in the 2008-based household projections (para 4.30, 4.31, figure 48, figure 49). Particularly in Spelthorne, the rate of household formation among 25-34 year olds dropped between 2001 and 2011 (prior to 2001 the rate was relatively stable, and the 2008-based projections projected this to slightly increase over the period to 2033). However the 2012-based projections project headship rates among this age group to remain broadly at their (suppressed) 2011 level. Household formation suppression is likely to be related to the affordability issues within the HMA, as well as low levels of housing provision.</p> <p>3.10 Allowing for an increase in household formation within this age group to release the ‘pent-up’ demand within the population (i.e. the household formation which is not currently accounted for in the 2012-based projections) would help to cater for the true level of housing demand within the population, making appropriate adjustments to trend-based projections given their nature to be influenced by recent</p>	<p>Quote noted.</p> <p>Comment noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>trends and the prevailing economic conditions. Such an adjustment would form part of the demographic-led housing needs, given the level of provision would be required to cater for household growth within the population.</p> <p>3.11 The SHMA considers this headship rate adjustment as part of the 'Market Signals' analysis, by modelling the housing need based on returning household formation in the 25-34 age group to the 2011 levels by 2033. Whilst NLP does not dispute that this forms a reasonable and policy compliant adjustment, how this has been incorporated into the overall conclusion on objectively assessed needs is problematic. This is explored in further detail in the Market Signals section.</p> <p>Migration with London</p> <p>3.12 Although NLP does not necessarily disagree with the starting point for housing needs considered in the SHMA (i.e. that derived from the CLG Household Projections), the SHMA falls short of taking account of all relevant and necessary demographic sensitivities.</p> <p>3.13 The Further Alterations to the London Plan (FALP) has now been adopted. The FALP is based on population projections produced by the Greater London Authority (GLA) in the London SHMA (2013) which utilises recent observed trends in births, deaths and migration. Paragraph 9.1 of the SHMA states the concluded OAHN for London is based on a central variant projection which assumes migratory outflows from London increasing by 5% and inflows to London falling by 3% compared with the national projections. These assumptions have formed the basis of the FALP and are considered by the GLA to represent the full objectively assessed need for London. The FALP Inspector has ratified this position and signed off these migration assumptions, inferring that they are likely to happen.</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>The demographic projections used in the draft SHMA all contain natural change (births/deaths) as well as UK and international migration which include an element from London. This can be seen in the past trends outlined in Figure 38, p66 and projected growth in figure 43, p70. The message given by the Mayor of London is that the FALP will meet London's OAHN within the boundary of London, through the housing targets set out in Table 3.1 of the FALP of 42,000 per annum and with the provision of augmenting supply to meet the demand of 49,000 per annum in Policy 3.3. It is too early to say at this moment how any future London Plan will seek to address OAHN and whether this necessitates higher levels of out migration and what options for the London Plan will need to be considered. The Local</p>

Rep No	Representor	Summary of comments made	Officer Response																												
		<p>3.14 Because this assumption influences migration at a national level, this needs to be taken into account in local authority specific modelling (because it deviates from national data sets), particularly in Spelthorne and Runnymede as these Boroughs have notable migratory relationships with the capital (shown in Table 3.2 and Table 3.3).</p> <p>3.15 In the case of Runnymede, around a quarter of all internal in-migration comes from London, and a fifth of out-migration is to London. In Spelthorne the relationship is even more significant, with half of in-migration coming from London and a quarter of out-migration to London. Based on the assumptions made by the GLA (that there will be a reduction in migration to London and increase in migration out of London) this will clearly have significant impacts on the number of people moving into/out of Runnymede and Spelthorne and will ultimately result in an overall higher need for housing than indicated by the government projections.</p> <p>Table 3.2 Migratory Relationships with London – Runnymede</p> <table><tr><th rowspan="2"></th><th colspan="2">London</th><th rowspan="2">Total</th><th colspan="2">UK</th><th rowspan="2">Total</th><th rowspan="2">% to/from London</th></tr><tr><th>2011/12</th><th>2012/13</th><th>2011/12</th><th>2012/13</th></tr><tr><td>In-Migration from</td><td>1,660</td><td>1,630</td><td>3,290</td><td>6,788</td><td>6,338</td><td>13,126</td><td>25.1%</td></tr><tr><td>Out-Migration to</td><td>1,220</td><td>1,170</td><td>2,390</td><td>6,173</td><td>6,024</td><td>12,197</td><td>19.6%</td></tr></table> <p>Source: ONS Mid-Year Migration Estimates (2011/12, 2012/13)</p>		London		Total	UK		Total	% to/from London	2011/12	2012/13	2011/12	2012/13	In-Migration from	1,660	1,630	3,290	6,788	6,338	13,126	25.1%	Out-Migration to	1,220	1,170	2,390	6,173	6,024	12,197	19.6%	<p>Authorities of the wider south east are currently engaging with the Mayor over a series of round table discussions to consider how these aspects will be taken forward under the Duty to Cooperate in the next iteration of the London Plan.</p> <p>Until such time as an up to date iteration of the London Plan has been developed, including engaging with local authorities in the wider south east under the Duty to Cooperate, it is too early to conclude that Spelthorne & Runnymede will see an increase in outward migration from London. Outward migration from London will be higher in some local authority areas outside of the London Plan boundary but this does not imply that this will be the case for all local authority areas. This will very much depend on the Plan’s strategy in terms of its approach to land supply and what this means for certain restrictive designations. This also depends on whether areas for growth outside of the London Plan boundary can be agreed with authorities in the wider south east under the Duty to Cooperate and what this will mean for the overall level of outmigration and where/when this would occur. This is something which will need to be examined further rather than assume a uniform level of out migration to Spelthorne/Runnymede based on the London SHMA. Further the Inspector in his initial findings on the now withdrawn Local Plan for Uttlesford (Essex) found that the 2012 SNPP projections already reflected in-migration from London. The Inspector was not convinced that unmet need arising from the FALP would bear much weight in assessing OAN as it was unclear what mechanisms, let alone solutions for delivery over the wider south east would be considered in the future. Nevertheless, for completeness, further sensitivity testing will be applied to the SHMA to account for the migration assumptions in the London SHMA.</p> <p>Reference to PPG para 18 is noted, however as stated above the Mayor and wider south east authorities are working together under the duty to cooperate to understand and consider London’s need and migration.</p>
	London			Total	UK		Total	% to/from London																							
	2011/12	2012/13	2011/12		2012/13																										
In-Migration from	1,660	1,630	3,290	6,788	6,338	13,126	25.1%																								
Out-Migration to	1,220	1,170	2,390	6,173	6,024	12,197	19.6%																								

Rep No	Representor	Summary of comments made	Officer Response																												
		<p>Table 3.3 Migratory Relationships with London – Spelthorne</p> <table><tr><th rowspan="2"></th><th colspan="2">London</th><th rowspan="2">Total</th><th colspan="2">UK</th><th rowspan="2">Total</th><th rowspan="2">% to/from London</th></tr><tr><th>2011/12</th><th>2012/13</th><th>2011/12</th><th>2012/13</th></tr><tr><td>In-Migration from</td><td>2,700</td><td>2,480</td><td>5,180</td><td>5,262</td><td>4,941</td><td>10,203</td><td>50.8%</td></tr><tr><td>Out-Migration to</td><td>1,250</td><td>1,170</td><td>2,420</td><td>4,808</td><td>4,754</td><td>9,562</td><td>25.3%</td></tr></table> <p>Source: ONS Mid-Year Migration Estimates (2011/12, 2012/13)</p> <p>3.16 Failing to account for these migration assumptions will result in increased unmet needs as households ‘fall through the gaps’ between Local Authorities. GL Hearn do not make any migration assumptions in the SHMA which account for the GLAs assumptions, resulting in further unmet need for housing, particularly in areas such as Runnymede and Spelthorne which have such significant migratory relationships with London. The PPG (ID 2a-018) explicitly sets out that these people should not go unaccounted for:</p> <p>“Any cross-boundary migration assumptions, particularly where one area decides to assume a lower internal migration figure than the housing market area figures suggest, will need to be agreed with the other relevant local planning authority under the duty to cooperate. Failure to do so will mean that there would be an increase in unmet housing need.”</p> <p>3.17 The SHMA does make a passing reference to London migration, stating (p. 11) that the figure of 945 dwellings per annum;</p> <p>“...does not take into account affordable housing need, or include adjustments to take account of market signals or the needs for the local economic. Furthermore out-migration from London fell during the course of the recession and could increase as market conditions</p>		London		Total	UK		Total	% to/from London	2011/12	2012/13	2011/12	2012/13	In-Migration from	2,700	2,480	5,180	5,262	4,941	10,203	50.8%	Out-Migration to	1,250	1,170	2,420	4,808	4,754	9,562	25.3%	<p>Comment noted.</p>
	London			Total	UK		Total	% to/from London																							
	2011/12	2012/13	2011/12		2012/13																										
In-Migration from	2,700	2,480	5,180	5,262	4,941	10,203	50.8%																								
Out-Migration to	1,250	1,170	2,420	4,808	4,754	9,562	25.3%																								


Rep No	Representor	Summary of comments made	Officer Response
		<p>improve. Pre-recession trends could re-assert themselves as the economy and housing market recovers. In such circumstances there may well be a higher need still.”</p> <p>3.18 However, such a scenario is not discussed or explored as part of the analysis of demographic-led needs, and the SHMA fails to acknowledge that such assumptions are already implicit within London’s OAN (and explicit in the GLA’s SHMA justification), meaning they now inherently form part of the demographic-led housing needs for all Local Authorities with migratory relationships with the capital.</p> <div data-bbox="448 635 1249 1214"> <p>Conclusion – Demographic-led Needs</p> <p>The SHMA makes an appropriate assessment of household growth, based on the most recent government projections whilst also taking into account the more recent 2013 MYEs (applying an appropriate allowance for vacant/second homes) to arrive at a starting point of 945 dwellings per annum across the HMA. The inclusion on the 2014 MYEs would also help improve the demographic modelling by bring the analysis up-to-date.</p> <p>However, there are fundamental issues in the demographic-led housing needs given they take no account for the GLAs assumptions around changing London migration patterns. These will have significant impacts on the demographic-led housing needs within the HMA given the proximity to London and the strong migratory relationships. This will result in increased unmet housing need across the HMA as households are not planned for.</p> <p>In addition, there are issues in how the demographic-led needs have been distinguished from the ‘Market Signals uplift’; this is explored later in the report.</p> </div>	<p>As stated above the Mayor and wider south east authorities are working together to understand how migration to/from London will change with a new London Plan. The Inspector for Uttlesford considered that migration flows can be dynamic and unpredictable and therefore considered the 2012 SNPP, as relied upon in the Runnymede-Spelthorne SHMA to be reasonable.</p> <p>Summary noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Market Signals</p> <p>3.19 The PPG requires that the housing need figure as derived by the household projections be adjusted to take into account market signals. It indicates that comparisons should be made against the national average, the housing market area and other similar areas, in terms of both absolute levels and rates of change. Worsening trends in any market signal would justify an uplift on the demographic-led needs (ID 2a-019). In addition, the PPG highlights the need to look at longer terms trends and the potentially volatility in some indicators (ID 2a-020).</p> <p>3.20 The PPG also sets out that “...plan-makers should not attempt to estimate the precise impact of an increase...rather they should increase planning supply by an amount that, on reasonable assumptions...could be expected to improve affordability...” (ID 2a-020). This clearly distinguishes between the demographic-led need for housing (generated by population and household growth) and the market signals uplift which is primarily a supply response over and above the level of demographic need to help address negatively performing market signals, such as worsening affordability.</p> <p>3.21 The SHMA (Section 6) examines a range of market signals as set out in the PPG, comparing Spelthorne and Runnymede to the South East and England. This can be summarised (and the potential shortcoming noted) as follows:</p> <p>1 Land Prices – no analysis has been presented, however there is a lack of readily available data in this indicator and as such it is reasonable to exclude this from the analysis;</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>Support for approach noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>2 House Prices – the SHMA compares median house prices over the period 1998-2007 (fig. 73) and secondly over the period 2008-2013 (fig. 74). The SHMA states that based on 2013/14 data, the average (median) house price in Runnymede was £259,000 and in Spelthorne £247,000. However, further analysis of Land Registry Price Paid Data by NLP shows that in the calendar year 2014 (a more up-to-date period than that used in the SHMA) the equivalent figures were £320,000 in Runnymede and £290,000 in Spelthorne . This is substantially higher than shown in the SHMA and highlights the housing pressures faced by the HMA in terms of increasing house prices. Furthermore, the SHMA makes no reference to increases over the longer term (as required by the PPG ID 2a-020), making only a brief reference (para. 6.7) to the fact that “...over the five year period shown [2008-2013] house prices have been relatively stable in nominal terms.” This masks the increases in house prices over the longer term, which show that both Runnymede and Spelthorne have both seen absolute increases in house prices far outstripping the national average(based on NLP analysis of CLG/Land Registry data). The SHMA also looks at sales volumes, however is it not clear on the purpose of this analysis nor any conclusions which can be drawn;</p> <p>3 Rents – the SHMA presents rental costs between 2011 and 2014 and given the limitations on data this is a reasonable assessment. However, the SHMA presents these compared against the South East and Surrey as indices. This is flawed given it fails to indicate the absolute levels (as indicated in the PPG) and masks the difference between rental costs in the first instance. In addition, a comparison has not been made against the national rental costs, which would likely further highlight the issues with rental costs in the HMA. NLP analysis of VOA Rental Market Statistics (the same data as utilised in the SHMA) shows that in the 12 months to Q3 2014 the average (median) monthly rent in Spelthorne and Runnymede was £995, compared with £595 nationally. In addition, over the last 3 years, rents in Spelthorne have increased 17.1% and in Runnymede 10.6%. This is a far greater increase compared to nationally</p>	<p>Latest house price data is noted and some updating can be undertaken including over the longer term post 1998 to include different market cycles.</p> <p>We have looked over a two year period. The NLP figures are correct for 2014 only. However this doesn't impact on the other analysis.</p> <p>Absolute rental costs including comparisons to national costs can be included, although in terms of national costs these are likely to show issues across the majority of the South East and London compared to the national level and is not an exclusive issue to this HMA. The NLP analysis is noted although this doesn't impact on the analysis as we believe the market signals show there is a requirement to uplift the OAN which we have done.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>where rents rose just 4.4%. The pressures within the rental market indicate a significant supply-demand imbalance within the HMA, however the SHMA does not explore this indicator thorough and fails to acknowledge the pressure this places on housing needs;</p> <p>4 Affordability – the SHMA acknowledges (para. 6.20) the affordability issues faced within the HMA based on an analysis of longer term (15 year) trends in the lower quartile affordability ratio. Although the HMA has seen a decline in the affordability ratio since the start of the recession, affordability within the Boroughs remains significantly worse than nationally;</p> <p>5 Rates of Development – the PPG is clear that historic rates of development should be benchmarked against the planned level of supply over a meaningful period. In this instance, it is evident that the target across the HMA (327 dwellings per annum) was met since 2006/07 – reflecting the relatively low target;</p> <p>6 Overcrowding – the PPG indicates that a range of signals demonstrate unmet need for housing in an area, including indicators on overcrowding, concealed/ sharing households and homelessness (ID 2a-019). The SHMA market signals analysis is limited in that it does not consider any homelessness indicators. In terms of overcrowding, the SHMA highlights that the HMA has seen a higher rate of increase in overcrowding than nationally. The SHMA also shows that the Boroughs have seen a lesser rate of increase in Houses of Multiple Occupation (HMOs) than nationally between 2001 and 2011. Further analysis of Census data by NLP shows that concealed families also indicate housing pressures particularly in Spelthorne, where in 2011 1.9% of families were concealed, which represents an increase of 87% since 2001. This compares with the national increase over the same period of 59%. Indicators of homelessness obtained from CLG by NLP show that while</p>	<p>Comment noted.</p> <p>Comment noted. The NLP analysis is noted although this doesn't impact on the analysis as we believe the market signals show there is a requirement to uplift the OAN which we have done.</p> <p>Numbers of concealed households can be included although the number of homeless households or those in temporary accommodation will be small and unlikely to significantly affect the figures. In terms of overcrowding, part of the higher figures could be due in part to a notable increase in the BME population across the HMA between the 2001 and 2011 census. Culturally some BME households tend to have higher average household sizes where several generations of the same family live together but by definition would fall into an 'overcrowded' category. We have ensured that the uplift is as a minimum higher than the level of concealed households.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>England overall has seen a decline in the rate of homelessness (in terms of households per 1,000 in priority need) of 59.5% over the period 2004/05 to 2013/14, Spelthorne has only seen a decline of 22.4% and Runnymede an increase of 76.7%. A similar pattern is seen when looking at the rate of households in temporary accommodation with the Boroughs failing to see the improvements seen nationally.</p> <p>3.22 The SHMA concludes (para 6.40 onwards) that based on the market signals analysis there are market signals pressures particularly with affordability within the HMA. The PPG is clear that any market signals uplift should be made on the demographic-led needs as an additional supply response which could help improve affordability (ID 2a-020), and further goes on to clarify that; “...plan makers should not attempt to estimate the precise impact of an increase in housing supply. Rather they should increase planned supply by an amount that, on reasonable assumptions...could be expected to improve affordability...” [NLP Emphasis].</p> <p>3.23 However, the SHMA instead considers that by making an adjustment to the headship rates of younger cohorts, that this then forms the ‘market signals uplift’ (stated in para. 6.50). This uplift figure (totalling 1,002 dwellings per annum) represents a 6% uplift on the starting point identified. The SHMA states that this uplift would (para 6.52, 6.54); “...support an improvement in affordability and household formation rates amongst younger households... It could also be argued that this uplift would in turn help to deliver more affordable homes across the HMA. Thus this would help to meet some of the affordable housing need explored...”</p>	<p>Paragraph 20 of the PPG note on <i>Housing & Economic Development Needs Assessments</i> indicates a supply response to market signals. However, it is not the place of the SHMA to consider ‘planned housing numbers’ or an increase in ‘planned supply’ as this is a matter for Local Plan preparation and could be considered a ‘policy on’ response. We believe that the response is reasonable and justified as did the Inspector at Horsham.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.24 The approach adopted in the SHMA is contrary to the PPG in a number of ways. The PPG is clear that the precise impacts of market signals uplift should not be explored, however the SHMA has attempted to estimate the precise impact of improving affordability through modelling increased household formation rates in younger age groups. In doing so, the SHMA fails to distinguish between the demographic-led needs of the HMA and the supply response which is represented by a market signals uplift. By encompassing the two aspects together, the market signals uplift is conflated. The approach utilised in the SHMA is set out in Figure 3.1.</p> <p>Figure 3.1 GL Hearn Approach to Account for Market Signals</p>  <p>Source: NLP based on GL Hearn, using figures from GL Hearn Study</p> <p>3.25 The PPG is also clear that (ID 2a-020); “...the more significant the affordability constraints...and the stronger the other indicators of high demand... the larger the improvement in affordability needed and, therefore the larger the additional supply response should be.”</p> <p>3.26 Whilst it is not clear cut from the PPG how an upwards adjustment should be calculated, some recent Local Plan Inspector’s findings have given an indication as to what might be an appropriate uplift. The Inspector’s Report into the Eastleigh Borough Local Plan (11th February 2015) provide interpretation of the PPG in terms of a reasonable uplift on demographic-led needs in light of market signals: “ It is very difficult to judge the appropriate scale of such an uplift. I</p>	<p>Disagree. The core issue is whether an adjustment is required as a response for further improvements to affordability. NLP’s approach is to adjust the CLG projections to account for suppression and then increase for market signals, however this is likely to result in double counting. Further, if an additional adjustment is made for market signals on top of adjustments to the CLG projections as NLP suggest this would inevitably lead to higher levels of in-migration. As stated above the ‘supply response’ is a matter for plan preparation and could be considered as a ‘policy on’ approach if included within the SHMA as NLP suggest.</p> <p>Quote noted. Our approach responds to the level of constraint.</p> <p>The Eastleigh Inspector’s conclusions are noted, however on this occasion there was no clear justification as to why 10% should be used rather than a 5% or 15% adjustment for example. Furthermore, in this case, the Authority in question had not proposed any uplift for market signals unlike in the Spelthorne/Runnymede SHMA. Further the approach used in the Runnymede-Spelthorne draft SHMA has been found sound at other Local Plan examinations such as Chichester</p>

Rep No	Representor	Summary of comments made	Officer Response																																								
		<p>consider a cautious approach is reasonable bearing in mind that any practical benefit is likely to be very limited because Eastleigh is only a part of a much larger HMA. Exploration of an uplift of, say, 10% would be compatible with the "modest" pressure of market signals recognised in the SHMA itself." (Paragraph 40 to 41).</p> <p>3.27 The Eastleigh Inspector has ultimately concluded that a modest uplift of 10% is a reasonable proxy for quantifying an increase from purely demographic based needs to take account of 'modest' negatively performing market signals. From the indicators set out by NLP below, it is clear that Runnymede and Spelthorne face similar pressures compared to Eastleigh with regards housing costs and affordability, however it is notable that the cost of housing (in terms of house prices and rents) far outstrip that in Eastleigh.</p> <p>Table 3.4 Runnymede/Spelthorne and Eastleigh market signals comparator</p> <table> <tr> <th></th><th>Runnymede</th><th>Spelthorne</th><th>Eastleigh</th></tr> <tr> <td>2014 Average House Price</td><td>£320,000</td><td>£290,000</td><td>£222,000</td></tr> <tr> <td>Absolute change 1999-2014</td><td>+£186,173</td><td>+£173,000</td><td>£137,050</td></tr> <tr> <td>Rate of change 1999-2014</td><td>+139%</td><td>+148%</td><td>+161%</td></tr> <tr> <td>2014 Lower Quartile affordability ratio</td><td>8.85</td><td>8.64</td><td>8.67</td></tr> <tr> <td>Absolute change 1999-2014</td><td>+3.06</td><td>+3.80</td><td>+3.55</td></tr> <tr> <td>Rate of change 1999-2014</td><td>+53%</td><td>+78%</td><td>+69%</td></tr> <tr> <td>Q3 2014 Average Rents</td><td>£995</td><td>£995</td><td>£760</td></tr> <tr> <td>Absolute change Q2 2011 – Q3 2014</td><td>+£95</td><td>+£145</td><td>+£85</td></tr> <tr> <td>Rate of change Q2 2011 – Q3 2014</td><td>+10.6%</td><td>+17.1%</td><td>+12.6%</td></tr> </table> <p>Source: CLG Live Table 586/Land Registry, CLG Live Table 576/Land Registry/ASHE and VOA Private Rental Market Statistics</p>		Runnymede	Spelthorne	Eastleigh	2014 Average House Price	£320,000	£290,000	£222,000	Absolute change 1999-2014	+£186,173	+£173,000	£137,050	Rate of change 1999-2014	+139%	+148%	+161%	2014 Lower Quartile affordability ratio	8.85	8.64	8.67	Absolute change 1999-2014	+3.06	+3.80	+3.55	Rate of change 1999-2014	+53%	+78%	+69%	Q3 2014 Average Rents	£995	£995	£760	Absolute change Q2 2011 – Q3 2014	+£95	+£145	+£85	Rate of change Q2 2011 – Q3 2014	+10.6%	+17.1%	+12.6%	<p>and Horsham. Furthermore, in other examples such as Stratford-on-Avon an Inspector found no case for any adjustment. In Crawley an Inspector did not consider a 10% adjustment put forward by the authority in response to Eastleigh was necessary. Overall, it is considered that Inspectors have taken a range of approaches to address the issue of market signals. The approach taken in the draft SHMA is considered to be robust and a further upward adjustment for market signals not required</p>
	Runnymede	Spelthorne	Eastleigh																																								
2014 Average House Price	£320,000	£290,000	£222,000																																								
Absolute change 1999-2014	+£186,173	+£173,000	£137,050																																								
Rate of change 1999-2014	+139%	+148%	+161%																																								
2014 Lower Quartile affordability ratio	8.85	8.64	8.67																																								
Absolute change 1999-2014	+3.06	+3.80	+3.55																																								
Rate of change 1999-2014	+53%	+78%	+69%																																								
Q3 2014 Average Rents	£995	£995	£760																																								
Absolute change Q2 2011 – Q3 2014	+£95	+£145	+£85																																								
Rate of change Q2 2011 – Q3 2014	+10.6%	+17.1%	+12.6%																																								

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.28 The uplift applied in the SHMA represents a 6% uplift on the demographic-led needs identified. This level of uplift falls far short of the uplift deemed reasonable by the Eastleigh Inspector where market signals were broadly comparable to Runnymede and Spelthorne. This indicates that a 6% uplift is not sufficient and proportionate based on the affordability issues within the HMA. By modelling the uplift based on higher household formation rates in younger age groups, the SHMA attempts to make a precise assumption on the impact of uplift (contrary to the PPG) and fundamentally fails to address negatively performing market signals which impact all age groups through an appropriate uplift in supply above demographic-led needs.</p> <p>3.29 In summary, the fundamental shortcoming associated with adopting the approach set out in the SHMA regarding market signals means it generates a conclusion that is not robust. This is because:</p> <p>1 The SHMA conflates market signals with adjustments to headship rates when the PPG indicates these are separate steps in separate parts of the process; headship rates adjustments in ID 2a-015 and market signals adjustment in ID 2a-020;</p> <p>2 The market signals adjustment within OAN is an increase in supply in response to a number of indicators; this is a separate element to the demographic-led housing need identified;</p>	<p>Evidence suggests that a decline in affordability pre-2011 was most marked in the 25-34 demographic with a fall in HFRs in this age group. There is also a range of research which links affordability to younger households sharing or living with parents for longer. As such, if declining affordability has contributed to a drop in HHFR's, particularly in younger age profiles as NLP suggest, then conversely an improvement in affordability should manifest in more younger households forming. As such, the draft SHMA does make a positive adjustment to improve affordability and hence HHFR's. This approach is considered robust and has gone through examination. Further, the draft SHMA takes account of market factors such as increased regulation of the mortgage market and house builder sector capacity to ensure it is realistic. This means that a dramatic overnight upturn in household formation is unlikely.</p> <p>GL Hearn considers that the market signals have shown decreasing affordability which resulted in constrained household formation. It is therefore logical that in order to improve affordability then the response would be to return household formation rates back to their previous levels and provide the level of housing to do so.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3 The PPG indicates (2a-019) that “the housing need number suggested by...(the starting point) should be adjusted to reflect appropriate market signals”. It is therefore clear that it is necessary to increase supply over and above the demographic-led need in the population to address the supply-side imbalance, hence this should not be considered a demand-side adjustment as advocated by GL Hearn. This was also highlighted within the Barker Review , which indicated that to address house price increases, supply side increases were needed (over and above the needs generated by population growth);</p> <p>4 The PPG also indicates that (2a-020) that “...plan makers should not attempt to estimate the precise impact of an increase in planned housing supply...” hence the approach adopted in the SHMA does not comply with the PPG in this aspect. The SHMA models the impact of an increase in household formation in younger age groups returning to their 2001 level and determines that this would result in improved affordability.</p> <div> <p>Conclusion on Market Signals</p> <p>The SHMA approach fundamentally fails to address market signals in any proper manner, nor in the way advocated by the PPG or recent Inspectors. The SHMA underplays the market signals pressures within the HMA and does not make an appropriate uplift to help address the affordability issues.</p> <p>Overall, the SHMA fails to distinguish between the demographic-led needs of the Boroughs, and the supply increase needed to address market signals to help address demand. Instead the SHMA blends the two elements within the same figure resulting in a conflated figure which is lower than the level of uplift deemed reasonable by the Eastleigh Inspector, despite the fact that market signals pressures in Spelthorne and Runnymede are broadly comparable and in some cases worse. The PPG is clear that the worse affordability issues, the larger the additional supply response should be to help address these.</p> </div>	<p>Supply side increases are a matter for Local Plan preparation and could be considered a ‘policy on’ response. Also it suggests that the need number should be increased rather than the supply.</p> <p>GL Hearn’s approach has gone through examination and is considered a robust method of uplift.</p> <p>Summary of points noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Economic Implications</p> <p>3.30 With regards to considering the need to uplift a housing figure to take account of the economic potential of the local authority, the National Planning Policy Framework (NPPF) sets out the following at paragraph 19. “The Government is committed to ensuring that the planning system does everything it can to support sustainable economic growth. <u>Planning should operate to encourage and not act as an impediment to sustainable growth</u>. Therefore significant weight should be placed on the need to support economic growth through the planning system.” (NLP emphasis)</p> <p>3.31 The PPG requires that assessments of likely job growth are made, looking at past trends in job growth and/or economic forecasts, whilst also considering the growth in working age population (ID 2a-018). The potential job growth should be considered in the context of potential unsustainable commuting patterns and as such plan-makers should consider how the location of new housing could help address this (ID 2a-018).</p> <ul style="list-style-type: none"> • The SHMA assesses one forecast of job growth which has been used to inform the Enterprise M3 Housing Evidence Study; how this scenario has been calculated is set out below. Experian (Summer 2013) – 752 jobs per annum in Runnymede and also in Spelthorne (albeit from different job bases in 2013) between 2013 and 2033. An estimate of jobs in 2013 has been taken from the midpoint of the figures in the 2011 and 2016 data post (a five year total figure) and beyond 2031 the annual jobs figures are based on the average expected in the 5-years leading up to the end of the forecast period (i.e. 2026-31). 	<p>Comment noted.</p> <p>Comment noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.32 The SHMA models this scenario utilising a commuting ratio and double jobbing analysis as well as a second sensitivity which models a 1:1 relationship between growth in residents in employment and the growth in people working in the two Boroughs.</p> <p>3.33 The analysis in the SHMA ultimately concludes that when using current commuting patterns the employment forecast models a need for 508 dwellings per annum in Runnymede and 588 in Spelthorne. The sensitivity analysis using the 1:1 relationship between growth in residents in employment and people working in the Boroughs increases the dwellings needed to 722 dwellings in Runnymede and 622 dwellings in Spelthorne. The SHMA ultimately concludes that these dwelling needs based on modelling forecast jobs growth should be caveated because the level of job growth has not been tested against potential employment land supply and Boroughs may not necessarily have the land supply to accommodate this growth. Furthermore, the SHMA highlights the difference between past trends and the forecast and concludes that there is uncertainty which needs to be tested further.</p> <p>3.34 NLP considers there are a number of shortcomings with the economic projections which have been used to inform the SHMA.</p> <p>3.35 Firstly, although the Experian scenario has been utilised because it tallies with the Enterprise M3 Housing Evidence Study, the forecast used (dated 2013) is now significantly out-of-date (forecasts tend to be produced quarterly). It is noted in the SHMA that the SHMA Report has not included a detailed assessment of economic growth potential in either authority. Moreover, the forecast used is based on a snapshot in time heavily influenced by recessionary factors. The macroeconomic trends from that time are likely to have resulted in more pessimistic forecasts of job growth compared to up-to-date forecasts for summer 2015, hence is likely to under-estimate need. The SHMA sets out that a</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>Comment noted.</p> <p>Noted. The Experian 2013 forecasts aligned with the work being undertaken for the LEP SEP However, as caveated in the draft SHMA, further work around economic/employment forecasting is acknowledged to be required and will feed into an update/supplementary report. Therefore the draft SHMA is clear that both authorities are committed to undertaking further economic work.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>targeted review may be undertaken as the Councils are producing assessments on economic growth; NLP considers this to be necessary to inform a robust an up to date objective assessment of housing need.</p> <p>3.36 Secondly, NLP does not consider that, just because there is a difference between the past jobs trends in the Boroughs and the total jobs forecast, that the forecasts need to be investigated further. The fact of lower past trends in job growth (in the case of Spelthorne) or indeed higher rates of historic job growth (in the case of Runnymede) does not mean that forecast job growth is not a reliable basis for assessing economic potential in the Boroughs. The NPPF requires that the planning system does everything it can to support sustainable economic growth, and emphasis that planning should operate to encourage and not act as an impediment to sustainable growth. On this basis it is clear that past economic performance in the Boroughs should not limit the potential of these District's to achieve accelerated economic growth in the future, in line with the NPPF.</p> <p>3.37 Thirdly, the assertion in the SHMA that the forecast jobs growth should be caveated because the level of job growth has not been tested against potential employment land supply and Boroughs may not necessarily have the land supply to accommodate this growth, is not a consideration for an objective assessment of housing need, but is in fact a consideration associated with a housing requirement associated with restraining capacity. As set out above, in the Solihull High Court judgment, the objective assessment of need leaves aside policy considerations whereas the housing requirement figure can take account of policy considerations that might require that figure to be manipulated to determine the actual housing target for an area. As such, for the purposes of an objective assessment of housing need, the unconstrained economic potential of the Boroughs is set out in the forecast job growth figures. These should be utilised in ascertaining an</p>	<p>Paragraph 18 of the PPG note on <i>Housing & Economic Development Needs Assessments</i> identifies that plan makers should make an assessment of the likely change in job numbers based on past trends and/or economic forecasts. As such, in line with the PPG it is appropriate for the SHMA to consider past trends which adds an element of realism into the job forecast figures. Detailed assessments of the employment growth potential for each borough is to be undertaken as part of the ELR.</p> <p>Noted. The draft SHMA will be updated to remove the caveat regarding employment land supply. However, the caveat regarding undertaking further economic projections remains relevant.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>appropriate conclusion on objectively assessed housing needs and not caveated at this stage.</p> <p>3.38 Finally, as of June 2015, Experian forecasts provide projections to 2035; these would form a more robust assessment of likely job growth to 2033 rather than estimating this based on the job growth occurring in the final years of the Enterprise M3 Housing Evidence Study. Although the SHMA was published before Experian began publishing these forecasts, there is now the opportunity to improve the accuracy and robustness of such job forecasts, and subsequently housing needs.</p> <div data-bbox="448 635 1252 1054"> <p>Conclusion on Economic-led Projections</p> <p>The SHMA presents a suppressed picture of likely economic growth, drawing upon economic forecasts produced in 2013 which are heavily influenced by the recession. Even on the basis of this out of date forecast, the SHMA considers that because there is a difference between past job trends in the Boroughs and forecasts, the forecasts need to be investigated further. The SHMA also strays into making policy constrained assertions about economic potential in the Districts by noting that forecast job growth may not be able to be achieved in the Boroughs if they cannot provide sufficient employment floorspace, contrary to the PPG requirement that objectively assessment of housing need do not take account of any constraints (and further clarified by Solihull).</p> </div>	<p>Noted, as the SHMA sets out, further economic forecasting will be undertaken as part of an update or supplementary report to the SHMA. It is not yet known however whether Experian forecasts will be utilised.</p> <p>Summary of points noted.</p>
		<p>Affordable Housing Needs</p> <p>3.39 In line with the NPPF (para 47, 159), Local Planning Authorities should;</p> <p>“...use their evidence based to ensure their Local Plan meets the full, objectively assessed needs for market and affordable housing...”</p> <p>“Local Planning Authorities should...prepare a SHMA which...addresses the need for all types of housing, including affordable.” [NLP emphasis].</p>	<p>Quote noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.40 The PPG sets out an approach to identifying affordable housing needs (ID 2a-022 to ID 2a-029), and states that affordable housing need should be; “...considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments...an increase in the total housing figures included in the plan should be considered where it could help deliver the required number of affordable homes.”</p> <p>An Appropriate Assessment of Affordable Needs</p> <p>3.41 The SHMA sets out how an affordable housing needs figure has been arrived at, using a combination of current need, existing households falling into need and newly forming households unable to afford housing, taking account of future supply. NLP has not analysed in detail the figure forming the assessment of affordable housing needs due in part to limitations on access to the underlying data; instead, NLP has focused on how this need has formed part of the conclusion on objectively assessed housing need.</p> <p>Income Threshold</p> <p>3.42 Based on a 30% income threshold, the SHMA calculates that net affordable housing needs are 813 dwellings per annum. In assessing an appropriate income threshold for affordable housing needs, there is no official or definitive threshold on how much a household can spend on rent before it becomes unaffordable. The SHMA shows how the need varies under a range of thresholds, from 25% up to 40%, as set out below in Table 3.5.</p>	<p>Quote noted.</p> <p>Comment noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response										
		<p>Table 3.5 Affordable Housing Need (per annum) at Variant Income</p> <table><tr><td></td><td>@25%</td><td>@30%</td><td>@35%</td><td>@40%</td></tr><tr><td>Net Need</td><td>962</td><td>813</td><td>675</td><td>554</td></tr></table> <p>Source: Draft Runnymede and Spelthorne SHMA (May 2005) Figure 69</p> <p>3.43 However, it is considered that the higher end of the range (40%) should not be considered. Indeed, the Inspector’s Report into the East Hampshire Local Plan Joint Core Strategy (April 2014) stated, in respect of utilising a 30% threshold rather than a 25% threshold, that (para 18); “...instead of planning positively to help assuage acute housing affordability pressures by, say increasing supply, the SHMA appears to advocate an approach which down plays demand. It may well be that, in order to live in a decent home, people are forced to spend more. However, it is not right, in my view, to plan on the basis that it is acceptable for those in need to have their already limited incomes squeezed just so they can live in a decent home (and the need for affordable housing reduced for the purposes of plan making).”</p> <p>3.44 The Inspector into the Eastleigh Borough Local Plan also noted (para. 33); “... I see no justification for the Council assuming that more than 30% of income could reasonably be spent on housing. Some households may be forced to do so, but that does not make it a justified approach to assessing need...”</p> <p>3.45 In summary, it should be considered that thresholds towards the lower end of the range represent affordable housing needs, based on the principle of planning positively. Thresholds toward the upper end of the range are not reflective of needs and should not be considered.</p>		@25%	@30%	@35%	@40%	Net Need	962	813	675	554	<p>The draft SHMA advocates a 30% of income figure. There are no hard and fast rules as to which percentage figure should be used, but 30% is considered to be reasonable. We have also provided analysis based on a range from 25% to 40% with justifications.</p> <p>We have also provided analysis based on a range from 25% to 40% with justifications. However this does not impact on the calculations of OAN</p>
	@25%	@30%	@35%	@40%									
Net Need	962	813	675	554									

Rep No	Representor	Summary of comments made	Officer Response
		<p>Households Already in Housing</p> <p>3.46 Having estimated the net need for affordable housing as shown in Table 3.5, the SHMA sets out that (para. 5.52); “...a proportion of those included in the model will already be living in affordable housing (albeit not housing that is suitable for them for some reason (such as size or cost)). If these households were to move to an affordable home then their current dwelling would become available for another household and there would be no net need for an additional dwelling.”</p> <p>3.47 In assuming this, the SHMA sets out that it should ‘net off’ households currently in need and existing households falling into need. However, this approach would not result in a full objective assessment of affordable housing need. Although the PPG (ID 2a-025) does indicate that affordable dwellings currently occupied by households in need can be included as part of the assessment of the total affordable housing stock available (since these households will free up an affordable dwelling), it does not advocate removing all current households in need and future households falling into need from the affordable housing needs calculation on the basis they free up a dwelling (regardless of tenure).</p> <p>3.48 Although the movement of people between tenures (such as a household currently occupying market housing falling into need, which then moves into an affordable home) results in an overall nil net housing need, those currently in need/falling into need nevertheless represent a need for a specific tenure of housing - in this case affordable - the demand for which still stands regardless of whether a market dwelling may be being freed up. It remains the case that those in market housing</p>	<p>Quote noted.</p> <p>The approach of ‘netting off’ households currently in need and already in the affordable sector is considered to be reasonable. Whilst recognised that PAS guidance is not government guidance, the latest PAS guidance <i>Objectively Assessed Need and Housing Targets Technical Advice Note</i> (July 2015) states in paragraph 9.5 that ‘<i>For the most part the needs of these existing households are not for net new dwellings. Except for those who currently live in temporary institutional accommodation or on the street, if they move into suitable housing they will free an equivalent number of dwellings, to be occupied by people for whom they are suitable</i>’ The netting off of needs is just provided for information the full affordable housing need is set out within the report. The concealed households are highlighted to feed into the OAN figures.</p> <p>The SHMA will be reworded to make the position of ‘netting off’ clearer. However the comment referred to is relating to whether there is a need to uplift OAN on the basis of affordable housing need. Such a group is included in the housing need and affordable housing need calculations as those who cannot afford to remain in their current home/existing households and are falling into need (up to 238 households).</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>who are in need of an affordable dwelling remain in need of an affordable dwelling; ultimately the affordable dwelling must still be delivered. In most instances it will be necessary to deliver market housing to fund the development of affordable housing, as such there is still a need to build market housing to deliver the affordable unit, i.e. the delivery of one affordable house comes as a result of the delivery of several market dwellings. Therefore the assertion that a market house could be freed up when a household moves to an affordable house has a logic, but market housing needs to be delivered to build the affordable house in the first instance. There is no evidence in the SHMA to suggest that there is any other policy in place for the delivery of affordable housing in the Boroughs to meet full affordable housing need.</p> <p>3.49 Therefore, netting off affordable housing needs on the basis that these free up market dwellings does not meet those households' need for an affordable dwelling and as such the assessment does not fully and objectively identify the need for affordable housing, in line with the PPG. The need for affordable housing remains the 813 identified in the SHMA (at 30% of income spent on housing).</p> <p>3.50 Whilst it is noted that the SHMA points to the PAS Guidance (paragraph 5.53 of the SHMA) in referencing the approach to the calculation in this way, it should be recognised that the PAS Guidance departs from the PPG and has no formal status within the planning system.</p> <p>Private Rented Sector</p> <p>3.51 In addition, although the conclusion does not explicitly state that the continued role of the Private Rented Sector (PRS) in meeting affordable housing needs reduces the affordable housing need figure of 813 dwellings per annum, the SHMA does take such policy</p>	<p>The affordable housing section has been substantially revised.</p> <p>The affordable housing section has been substantially revised.</p> <p>The point regarding the PRS and affordable need is noted as is the Oadby & Wigston judgement. Whilst the draft SHMA is not advocating that the overall need figure of 813 affordable dwellings per annum should be reduced in terms of the OAHN, it is pointing out that the</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>considerations into account. The SHMA sets out at paragraph 5.59 that the estimated quantity of lettings in the Local Housing Allowance (LHA) part of PRS equates to circa 44%, applying this to the 813 affordable dwellings per annum feed figure reduces affordable housing need to 454 dwellings per annum. Such considerations do not have a place within objectively assessed needs, and this has been highlighted in the recent Oadby and Wigston High Court Judgement.</p> <p>3.52 In the case of the Oadby and Wigston High Court Judgement the Council had a pre-NPPF plan, and relied on objectively assessed needs which had been identified through the Leicester and Leicestershire SHMA. However, in concluding on objectively assessed need, the SHMA (prepared by Justin Gardner Consulting, co-authors of the work for Runnymede and Spelthorne) had considered that only a modest adjustment should be made to the housing numbers due to fact that the PRS would make up the shortfall. However, the Court’s decision clarified that (paragraph 4.i); “...the justification provided for keeping the true affordable housing requirements of the account is inadequate... <u>the benefit-subsidised private rented sector is not affordable housing...it remains policy intervention even if the private sector market would accommodate those who would otherwise require affordable housing</u>, without any positive policy decision by the Council that they should do so: it becomes policy on as soon as the Council takes a course of not providing sufficient affordable housing to satisfy the FOAN for that type of housing and allowing the private sector market to make up the shortfall.” NLP emphasis.</p> <p>3.53 The High Court Judgment clarifies that it is not for the objectively assessed housing needs calculation to apply any constraints in respect of overall and affordable housing needs. It is for the next stage of the process, having identified full objectively assessed needs, to assess</p>	<p>PRS does play a role in meeting needs in reality. The affordable needs section of the draft SHMA is to be updated to make this clearer.</p> <p>We have revised the evidence relating to assuming the PRS will continue to meet the affordable housing need. There is no reliance on PRS meeting this need.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>whether policy choices or other constraints might result in the final housing requirement being lower, if it can be demonstrated that this is in line with the NPPF. Regardless of the final housing requirement to go forward within the Plan, full, objectively assessed housing needs for market and affordable housing should be set out and identified in line with the necessary policy and guidance. Failure to do so would be an unsound approach.</p> <p>3.54 Whilst it is a fact that the PRS does support a number of households in receipt of housing benefit, the Eastleigh Inspector highlighted (paragraph 34); “...there is no justification in the Framework or Guidance for reducing the identified need for affordable housing by the assumed continued role of the PRS with LHA. This category of housing does not come within the definition of affordable housing in the Framework. There is not the same security of tenure...”</p> <p>3.55 It might be a legitimate policy choice for the Council to choose not to meet full objectively assessed housing need for affordable housing at the rate of delivery (and for the evidence to describe the current and possible future role of the private rented sector), but that is a policy matter for the Council in setting the requirement, not for the evidence base in concluding on objectively assessed housing need.</p> <p>Integrating Affordable Housing Needs into OAN</p> <p>3.56 In terms of how the affordable housing needs should represent part of the conclusion on OAN, the PPG indicates that (ID 2a-028); “The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market led housing developments.</p>	<p>The SHMA is to be amended to take account of these points. We would however highlight the definition of affordable housing in Annex 2 of the NPPF which states that affordable housing is “Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market” - Clearly those households in PRS (albeit with assistance from the government) needs are being met by the market.</p> <p>Our calculations of affordable housing need are not impacted by any influence of PRS. The SHMA is to be amended to take account of these points.</p> <p>This is a matter for consideration following the completion of the SHMA and as part of the wider plan making processes of both Authorities’. However in an area of considerable constraint (as applies to both Runnymede and Spelthorne), even at this early stage in the Plan, it is questioned whether it will be realistic to pursue an inflated housing target in the Local Plans of both Authorities to help deliver</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes.”</p> <p>Mixed Market and Affordable Developments</p> <p>3.57 On the basis of the above analysis, it is clear that neither the PRS nor the relocation of people in existing households (‘freeing up’ a dwelling and as such reducing housing need) are relevant factors to justify the reduction of affordable housing below 813 per annum.</p> <p>3.58 The SHMA sets out at paragraph 8.11 that “we believe that 35% is probably an achievable level of affordable housing delivery” (as part of mixed market/affordable schemes). This amounts to a need to deliver 2,323 dwellings to deliver the annual need for affordable housing at this percentage of delivery.</p> <p>3.59 This places clear upward pressure on housing needs and as such the conclusion on objectively assessed housing needs does not appropriately consider how increased housing supply could help address affordable housing needs in the Borough.</p> <p>3.60 The importance of this element of the objectively assessed housing need calculation has been highlighted within the Satnam Millennium High Court judgment, which found that there had been non-compliance with policy in Warrington Borough Council’s housing evidence, concluding this was because:</p> <p>“the assessed need for affordable housing was 477 dpa... having identified the OAN for affordable housing, that should then be considered in the context of its likely delivery as a proportion of mixed market/affordable housing development; an increase in the total housing figures...should be considered where it could help deliver the</p>	<p>the affordable housing needs.</p> <p>Whilst the ‘Satnam’ judgement is noted, this is not an approach advocated by the latest PAS guidance ‘Objectively Assessed Need and Housing Targets Technical Advice Note’ (July 2015) which postdates the decision and which advises on how to derive an OAHN need figure through the SHMA process. As such there is currently some uncertainty as to how OAHN should be derived especially given that demographic need and affordable need figures are derived differently. Further, an element of the affordable need figure is already incorporated into the demographic projections and as such there is the potential for double counting if the approach to calculating OAHN is amended in the way suggested in this representation. In reality, it is only part of the affordable need figure that will relate to a need for additional dwellings such as for concealed and homeless households, whereas for others in the affordable needs model the need is not for a new dwelling but an alternative size/tenure. The text in this chapter will be amended to make these points clearer. In terms of whether the OAHN should be adjusted upwards to meet affordable needs, the Inspector for Cornwall did not consider this was necessary even with a significant affordable need figure. Further, to increase the OAHN figure to a level which would deliver the full affordable need, requires a judgement of development viability which could be considered a ‘policy on’ approach.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>required number of affordable homes... the Local Plan should then meet the OAN for affordable housing, subject only to the constraints referred to the in the NPPF..."</p> <div> <p>Conclusion on Affordable Housing Needs</p> <p>Although the conclusion on affordable housing needs within the SHMA makes specific reference to a number of points which do not adhere to policy consideration (as set out in the PPG and the Solihull and Oadby & Wigston decisions), these are not ultimately used to decrease the affordable housing need calculation of 813 affordable dwellings per annum.</p> <p>However, the affordable housing needs are not then reflected in the full objectively assessed housing needs conclusion. This is not in accordance with the Satnam Millennium High Court judgment.</p> </div> <p>Review of Housing Size and Tenure Analysis</p> <p>3.61 Having arrived at a figure for objectively assessed needs, the SHMA indicates the requirement for different sizes of homes as well as the need for specialist types of housing. As of July 2015, DCLG are yet to release the detailed Stage 2 data for the 2012-based household projections, which provide projections broken down by household type. Therefore much of the analysis within the SHMA draws upon occupancy throughout the life course and how households of different ages currently occupy housing. This has then been applied to the projections to derive a projection of the future housing mix requirement.</p> <p>3.62 In the absence of the Stage 2 CLG data, this approach is reasonable and takes into account how households actually occupy housing in the open market (given households can occupy housing which they can afford, as opposed to the smallest level of housing which would cater to their need). This is a more realistic approach than modelling housing mix requirement based on the growth in different size/types of household</p>	<p>Summary of points noted.</p> <p>Comment noted</p> <p>Support noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>which would not reflect the occupancy patterns of the market.</p> <p>3.63 When considering the housing needs of older people, the SHMA models the level of specialist housing need according to maintaining the current ratio of specialist housing to 1,000 residents over age 75 and bringing this in line with the national average (which is significantly higher than in the HMA). This provides a reasonable assessment of future specialist housing needs.</p> <p>3.64 Overall the section provides a broad assessment of the different types of housing needs within the HMA and the future needs that will be generated. However, it is important to consider that;</p> <ul style="list-style-type: none"> • The analysis of housing mix will need to be further supplemented by analysis of CLG's Stage 2 household projection data when it is realised to provide a more clear picture of household growth by type, and the age groups in which this growth is expected to occur; and • Housing mix across the HMA will vary between sites, and be influenced by a range of factors such a specific local need and demand (NPPF Para 50), as well as viability and environmental factors. As such the mix set out in the SHMA should be considered as a starting point, flexible to the local circumstances of individual areas. <p>Summary – Objectively Assessed Housing Need</p> <p>3.65 This section has highlighted that there are a number of issues within the SHMA in assessing housing need and as such the conclusion is unfortunately not a sound and policy-compliant assessment. The key shortcomings of the SHMA are as follows:</p>	<p>Support noted.</p> <p>This data is yet to be released, however both Councils will discuss the suitability of amending the SHMA to take this data into account with GL Hearn.</p> <p>Comment noted.</p> <p>The points raised in the summary have been addressed above.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>a: Failure to account for changes to London migration which will ultimately increase the demographic-led housing need in the HMA;</p> <p>b: Conflating the market signals uplift in spite of recent Inspector's reports and the market signals pressure within the HMA which indicate there is significant upward pressure on the housing numbers to help address affordability issues;</p> <p>c: Limited exploration of economic-led scenarios, relying on one forecast which is now out-of-date and draws upon a recessionary period, whilst also considering policy constraints in terms of future employment growth (contrary to the PPG and Solihull);</p> <p>d: Lack of acknowledgement of the pressures which affordable housing needs place on the overall assessment of need.</p> <p>4.0 Conclusions</p> <p>4.1 The SHMA considers an appropriate starting point for considering housing needs within Runnymede and Spelthorne; based on the 2012-based household projections the 2013 Mid-Year Estimates (albeit this could be improve through incorporating the recently released 2014 MYEs). However, there are a number of shortcomings in the other components of OAN required to form a full and robust objective assessment of need. Overall this means the SHMA is flawed and does not meet the approach set out in the NPPF and PPG. These issues are summarised as follows:</p> <p>a: The demographic-led starting point fails to take account of cross-boundary migration assumptions implicit within the FALP;</p>	<p>The points raised in the conclusions have been addressed above.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>i: Runnymede and Spelthorne have significant migratory relationships with the capital, with large proportions of in- and out-migration being associated with London;</p> <p>ii: The GLA have concluded on London's OAN (a position ratified by the Inspector into the FALP in December 2014) based on migration assumptions which deviated from the national projections, based on less migration into London and more migration out of London;</p> <p>iii: By not incorporating these assumptions into the demographic projections there will be an increase in unmet need as housing needs are lost between the boundaries of local authorities. It is clear from the PPG that such needs should be taken into account, and as such the overall starting point for considering housing needs is flawed;</p> <p>b: The market signals analysis has not been appropriately reflected in the OAN;</p> <p>iv: The SHMA conflates that supply-side market signals adjustment with demand-side adjustments to household formation rates which are distinct steps in the PPG;</p> <p>v: The high cost of housing (in terms of house prices and rents) as well as worsening affordability and the presence of overcrowding in the HMA evidently justifies uplift on the starting point and this should be reflected in the conclusion on OAN;</p> <p>vi: The SHMA concludes that the 6% uplift which has been applied is sufficient, despite the fact that the recent Eastleigh Inspector concluded that a 10% uplift was reasonable based on 'modest' market signals pressure – NLP analysis shows that this would also be reasonable to apply to Runnymede/Spelthorne, however acknowledges that this is likely to be a minimum given the worse performance in some signals compared with Eastleigh (e.g. rental costs);</p>	

Rep No	Representor	Summary of comments made	Officer Response
		<p>c: Up to date employment forecasts have not been utilised to ascertain the economic potential of the Boroughs;</p> <p>vii: The economic scenarios are based on forecasts which are now 24 months out-of-date and draw upon a period of recession. Updated forecasts would likely indicate that average annual job growth is likely to be higher than that used in the SHMA. This points is not compliant with the requirements of the PPG (ID 2a-018);</p> <p>d: Affordable Housing Needs;</p> <p>viii: Text has been used in this section to suggest that the affordable housing needs could be reduced by 'netting off' those currently in housing and relying upon supply from the PRS sector, despite the fact that this approach is not advocated in the PPG;</p> <p>ix: All figures indicate that there is upward pressure on the overall housing figure in order to help deliver the required amount of affordable housing in line with the PPG. However, this has not been accounted for in the final OAN using the "proper exercise".</p> <p>4.2 Fundamentally, the SHMA does not consider all the necessary inputs (particularly with regards to changes in London migration) and has not applied the necessary factors in a PPG-compliant way in order to fully assess the need and demand for housing in Runnymede and Spelthorne. The SHMA draws on a number of methods and conclusions that are contrary to both the PPG and a number of recent High Court Judgments which have provided further clarification on the interpretation of the NPPF and PPG, further undermining its suitability as a policy compliant and robust part of the Council's evidence base.</p>	<p>The points raised in this paragraph have been addressed above.</p>

Rep No	Representor	Summary of comments made	Officer Response
025	Paul Dickinson and Associates on behalf of Tarmac	<p>I am writing on behalf of Tarmac (renamed from Lafarge Tarmac with effect from 1 August 2015) as owners of land within the Borough, including land at Thorpe Lea Road, Thorpe, Surrey which is being promoted for release for future development, to make comments on the draft version of the Strategic Housing Market Assessment (SHMA).</p> <p>I make the following comments:</p> <p>(4) The draft SHMA provides a basis for identifying the full, objectively assessed housing needs in the housing market area. However, I consider there are three shortcomings in the draft SHMA.</p> <p>(5) Firstly, the SHMA fails to take into account all of the available and up to date information on household and population projections. Specifically it does not take into account the Government's 2014 mid-year population estimates published by the Office for National Statistics on 25 June 2015. This provides data on changes in population estimates for each Local Authority and as such is highly relevant to identifying local demography and household formation rates required to assess full, objectively assessed housing needs. The latest mid-year estimates show a significant 1.4% increase (1,139 persons) in population for Runnymede compared to the 2013 mid-year estimates.</p> <p>(6) Secondly, the draft SHMA fails to fully assess the need for all types of housing as required by NPPF paragraph 159. It deals with market and affordable housing needs but little work appears to have been undertaken on the needs of different groups in the community, particularly the implications of an increasingly ageing population highlighted by the 2014 mid-year estimates, and in people wishing to</p>	<p>Noted.</p> <p>Noted. It must be acknowledged that the SHMA can only be a snapshot in time and would never be completed if continually awaiting or updating for the latest population/household projections. Paragraph 16 of the PPG note on <i>Housing & Economic Needs Assessments</i> supports this by stating that housing assessments are not rendered outdated every time new projections are issued. However, both authorities realise that an update(s) to the assessment will be required at some point in time, not least to test further economic projections. It is envisaged that it will be at this time that an update or supplementary report will take account of the latest population/household projections. A further update may also be required prior to the EiPs of both authorities. At the current time however the projections used in the SHMA are still considered robust.</p> <p>The draft SHMA takes a high level view on the needs for different groups in society and does quantify the need for accommodation for the older population including specialist needs. As both Local Authorities progress their Local Plans, additional work on the needs of specific groups may be carried out if additional evidence is found to be required.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>build their own homes (noting the strong encouragement in Government planning policy to self-build housing).</p> <p>(7) Thirdly, the SHMA does not take into account the recommendations of the Final Report of the Airports Commission published on 1 July 2015 on the expansion of Heathrow and the provision of a third runway. The Government's decision is awaited. Officers at the Stakeholder Presentation held on 13 July 2015 advised that Heathrow Airport Ltd have indicated that, subject to the Government's decision and relevant approvals, significant additional elements could be operational by 2025. Given the potentially significant implications of Heathrow expansion on full, objectively assessed housing needs in the local housing market including Runnymede, and the intended Plan period to 2035, the SHMA should address this matter and identify potential scenarios for the local housing market so that these can be properly planned for in the Local Plan.</p> <p>I consider these shortcomings in the draft SHMA must be addressed to ensure that it provides a sufficiently robust evidence base to properly inform the preparation of the Local Plan and meet full, objectively assessed housing needs over the intended Plan period to 2035.</p>	<p>In regard to the possible expansion at Heathrow Airport, although the recommendations of the Davies Commission have been issued, the Government is yet to make a decision on airport expansion (which we are hoping for later this year). Even when a decision on airport expansion has been made by the Government, it will still then be some time before the impact of any proposed expansion at Heathrow on the nearby boroughs can be properly evidenced and understood. As such for the foreseeable future we will not be able to assess the impact of a possible expansion at Heathrow Airport in the SHMA. Officers accept however that when we are further progressed with the preparation of both Boroughs' Local Plans, if expansion at Heathrow does get approved, our evidence may need refreshing to take account of any evidence produced which quantifies what the impacts for the Runnymede-Spelthorne HMA will be. In such a scenario, both authorities will need to work with Heathrow Airports Ltd and neighbouring authorities under the DtC to understand the impact of expansion, the role that improved public transport could play in labour supply and the effect this could have on housing needs. Additional text will be added to the SHMA to clarify the existing situation.</p>

Rep No	Representor	Summary of comments made	Officer Response
026	Quod	<p>1 Introduction and Summary</p> <p>1.1 Quod is pleased to make representations on the draft Strategic Housing Market Assessment (SHMA) for Runnymede and Spelthorne Borough Councils. Our response is focused on how the SHMA relates to Spelthorne specifically, although most of the points apply equally to the SHMA as a whole.</p> <p>1.2 Quod is a planning consultancy with a particular expertise in demographic issues, and represents a variety of land owners and developers, including those with an interest in Spelthorne.</p> <p>1.3 We welcome publication of the SHMA, and the fact that it recognises that the Objectively Assessed Need (OAN) is considerably higher than recent rates of delivery. However, we have concerns about a number of details where the methodology does not deliver what the Guidance requires, and therefore underestimates the OAN.</p> <p>1.4 The areas of concern, detailed in this note, are:</p> <ul style="list-style-type: none"> • Suppressed household formation • Affordable housing • Market signals • Employment • Backlog • Constraints <p>1.5 These issues need to be addressed before the SHMA can form a sound basis for establishing housing targets in the Core Strategy.</p>	<p>Noted.</p> <p>Noted.</p> <p>Noted.</p> <p>Noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>2 Suppressed Household Formation</p> <p>2.1 Headship rates have changed in Spelthorne (and nationally), as housing shortages have made household formation more difficult. As a result average household sizes rose between 2001 and 2011, bucking the long-term trend towards small households. Guidance is clear that such effects should be taken into account:</p> <p>“Formation rates may have been suppressed historically by under-supply and worsening affordability of housing. The assessment will therefore need to reflect the consequences of past under delivery of housing. As household projections do not reflect unmet housing need, local planning authorities should take a view based on available evidence of the extent to which household formation rates are or have been constrained by supply. National Planning Practice Guidance, Ref: 2a-015-20140306</p> <p>2.2 The SHMA focuses on the fact that current projections show the long term fall in household sizes resuming, and that the 2012-based household projections show this more clearly than the interim 2011-based projections.</p> <p>2.3 However, after the recent rise, household size in Spelthorne is now back up to a level last seen almost 20 years ago. The projections show this now falling again, but no “catchup” to make up for lost ground in household formation. The latest projections effectively assume the current level of suppressed demand is locked-in as a permanent feature.</p>	<p>Comment noted.</p> <p>Quote noted.</p> <p>Comment noted.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>2.4 Figure 47 in the draft SHMA shows that the 2008-based projections (based on long-term trends before the recession and housing crisis) anticipated average household size in Spelthorne in 2033 would be around 2.17 people. The same chart shows the new 2012-based figures (which factor-in suppressed demand due to housing conditions) now projecting Spelthorne household size in 2033 will be about 2.28 people, around 5% higher.</p> <p>2.5 If housing supply increased enough to release this suppressed demand and allow household size to fall back to the long-term trend line (as projected in the 2008-based figures), then housing the same number of people would require around 5% more dwellings. That equates to around 2,500 additional homes in Spelthorne by 2033.</p> <p>2.6 The SHMA does not carry out this sensitivity test, which is an omission. Instead it limits adjustment for suppressed household formation solely to the 25-34 age group. A fuller consideration of this issue across all age groups is required to be compliant with the Guidance.</p>	<p>Comment noted.</p> <p>Comment noted.</p> <p>Whilst suppression in HFRs for 25-44 year olds is noted, the evidence suggests this was most marked in the 25-34 demographic. There is also a range of research which links affordability to younger households. As such, if declining affordability has contributed to a drop in HFR's, particularly in younger age profiles, then an improvement in affordability should manifest in more younger households forming. As such, the draft SHMA does make a positive adjustment to improve affordability. This approach is considered robust and further adjustments for 35-44 year olds are not considered required. Further, the draft SHMA takes account of market factors such as increased regulation of the mortgage market and house builder sector capacity to ensure it is realistic. This means that a dramatic overnight upturn in household formation is unlikely. Furthermore, suppression in other age groups will have been factored into the 2012 projections to some degree. The core issue is whether there has been an upwards adjustment as a response to further improve affordability and as a consequence HFRs.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3 Affordable Housing</p> <p>3.1 Guidance is clear that once the need for affordable housing has been determined, the next step should be to consider what level of total housing would be needed to deliver that much affordable:</p> <p>“The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes.”</p> <p>National Planning Practice Guidance, Ref: 2a-029-20140306</p> <p>3.2 The SHMA does not take this step. It identifies a housing need of 441 affordable homes a year in Spelthorne, but does not indicate how this would be delivered, indeed the SHMA executive summary states that “it is unlikely that it would be feasible to deliver sufficient overall housing provision to meet the affordable need in full”. This is a mistaken application of the Guidance. The SHMA should assess need, not feasibility, and in the case of affordable housing it fails to do so.</p> <p>3.3 Spelthorne Borough Council’s Planning Monitoring Report 2014 Table 14 identifies an average total of 174 annual net completions over the past five years. Table 18 shows net affordable completions over the same period averaged just under 54 a year, therefore 30.9% of net new homes were affordable. At the same rate, a total of 1,427 net completions a year would be needed in Spelthorne to deliver the identified affordable housing need of 441 homes a year.</p>	<p>The latest PAS guidance ‘<i>Objectively Assessed Need and Housing Targets Technical Advice Note</i>’ (July 2015) considers how to derive an OAHN need figure through the SHMA process, although there is some disagreement on how OAHN should be derived given that demographic need and affordable need figures are derived differently. Further, an element of the affordable need figure is already incorporated into the demographic projections and as such there is the potential for double counting if the approach to calculating OAHN is amended in the way suggested in this representation. In reality, it is only part of the affordable need figure that will relate to a need for additional dwellings such as for concealed and homeless households, whereas for others in the affordable needs model the need is not for a new dwelling but an alternative size/tenure. The text in this chapter will be amended to make these points clearer. An additional change is also proposed to be made to the affordable needs chapter to include an element of the committed supply of new affordable dwellings in the needs model (as advocated in paragraph 26 of the PPG note on <i>Housing & Economic Development Needs Assessments</i>), as to date neither Spelthorne and Runnymede have provided GL Hearn with this data. In addition, to increase the OAHN figure to a level which would deliver the full affordable need or consider how affordable housing could be delivered, requires a judgement of development viability and planning judgement through the Local Plan process. This could be considered a ‘policy on’ approach if applied.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>3.4 The SHMA suggests no uplift in OAN is needed to allow for this because the private rented sector (PRS) can make up the shortfall. However private rented accommodation is not an appropriate, secure, long-term alternative to affordable housing. The recent Inspector's Report on the Eastleigh Borough Local Plan stated: "There is no justification in the Framework or Guidance for reducing the identified need for affordable housing by the assumed continued role of the PRS with LHA [Local Housing Allowance]. This category of housing does not come within the definition of affordable housing in the Framework." Eastleigh Borough Local Plan, Inspector's Report February 2015, paragraph 34</p> <p>3.5 An upwards adjustment to the OAN therefore needs to be made in order to support the deliverability of affordable housing.</p> <p>4 Market Signals</p> <p>4.1 The SHMA rightly identifies market signals indicating a shortage of housing supply. House prices are above the regional average, lower quartile price to income ratios are extremely high and have increased over the last decade, household formation and home ownership have fallen.</p> <p>4.2 The response to this, however, is not adequate. The approach to quantifying an uplift to account for market signals confuses this with the issue of suppressed demand (for one particular age group). Market signals are likely to reflect more than just adult children forced by the housing market to live with their parents, there are many ways in which housing pressure is being felt by different groups.</p>	<p>The point regarding the PRS and affordable need is noted as is the Eastleigh case. Whilst the draft SHMA is not advocating that the overall need figure of 813 affordable dwellings per annum should be reduced in terms of the OAHN, it is pointing out that the PRS has a role to play in meeting needs in reality. The affordable needs section of the draft SHMA is to be updated to make this clear.</p> <p>In terms of whether the OAHN should be adjusted upwards to meet affordable needs, the Inspector for Cornwall did not consider this was necessary even with a significant affordable need figure.</p> <p>See comments above to para 2.6. Further, the approach used in the draft SHMA has been found sound at the Local Plan examinations in Chichester and Horsham. As such the approach taken in the draft SHMA is considered to be robust and a further upward adjustment for market signals is not required. The official projections show improvements in HFR in some groups and others have not been suppressed which provides justification for the approach employed.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>4.3 To adequately address the signals of unaffordability, supply needs to run significantly ahead of demand for an extended period. The proposal to add just 32 additional homes a year to Spelthorne's OAN – in a district with over 40,000 households currently – is not a significant or adequate response to market signals.</p> <p>5 Employment</p> <p>5.1 More work is needed on the assessment of how employment trends will affect housing need. There is not enough detail in the SHMA to know whether the projected employment rates are soundly-based, or how they account for changing age profiles. The most significant issue relates to the duty to co-operate, and to Spelthorne's role on the edge of a city experiencing rapid jobs growth.</p> <p>5.2 The SHMA uses Experian forecasts to predict future employment, and then in translating this into forecasts of the workforce required (and therefore housing need) it assumes no change in the commuting patterns.</p> <p>5.3 This runs counter to the best available evidence, which shows that commuting into central London is growing, and at an increasingly fast rate. The OAN should allow for the fact that an increasing number of central London employees can be expected to live in Spelthorne.</p> <p>5.4 Between 2001 and 2011 the working age population of Spelthorne increased by 3.8%, but commuting from Spelthorne into the 14 inner London boroughs increased far faster – a 22.6% rise (from 3,176 to 3,893 people). This was almost exactly in line with the 22.7% rise in the number of jobs in inner London over the same period.</p>	<p>See response to 4.2 above.</p> <p>Noted. As is caveated in the draft SHMA, further work around economic/employment forecasting is required and will feed into an update/supplementary report. Therefore the draft SHMA is clear that both authorities intend to undertake further economic work.</p> <p>The draft SHMA sets out commuting patterns in Runnymede and Spelthorne (Figure 88) which does account for the fact that Spelthorne is a net exporter of labour and as paragraph 7.13 of the draft SHMA sets out the sensitivity analysis does still assume a notable level of in-commuting to Runnymede and out commuting for Spelthorne. While this may be true decisions to move away from existing commuting ratios would need to be agreed at a strategic level.</p> <p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>5.5 Since 2011 the inner London economy has been even stronger, with job growth at 3.3% a year between 2011 and 2014 (compared to an average of 2.1% a year between 2001 and 2011).</p> <p>5.6 If Spelthorne commuting to inner London continues to grow in line with jobs in inner London (as it did between 2001 and 2011), then at current rates of growth that would mean the number of people commuting into inner London would grow by 150 each year. This is over and above the 544 per annum growth in the Spelthorne workforce forecast by the SHMA in a “no commuting change” scenario.</p> <p>6 Backlog</p> <p>6.1 The SHMA sets out in Figure 81 that housing targets have been met or exceeded in recent years, which would normally be taken to mean that there was no backlog to catch up on. However as paragraph 6.26 of the SHMA highlights, those targets reflect constraints, not need. It is not reasonable to say that there is no identified backlog or shortfall in provision when current demographic need in Spelthorne is identified as 543 homes per year, while recent delivery has averaged 178 homes a year.</p>	<p>Comment noted.</p> <p>We have maintained existing commuting ratios as to change them would be to assume the growth in housing or jobs would be met elsewhere. This would need to be agreed at a strategic level and would be a policy on scenario.</p> <p>Disagree. Past delivery is based on current adopted housing targets. It is not the place of the SHMA or the Local Plan going forward to attempt to make up a shortfall of ‘need’ from previous plan periods. This would have been considered in previous Regional Plan or Local Plan examinations in any event. Any shortfall in housing delivery prior to the starting point of the SHMA has been considered and taken into account in the adjustments made to derive the SHMA conclusions regarding the Objectively Assessed Need (OAN) for housing. This reflects the high court judgement in the Zurich Vs Winchester case¹. In effect because there has been a shortfall of supply this has increased affordability. The uplift to take account of market signals therefore responds to the historic under delivery. To add historic under-delivery on top would effectively be double counting.</p>

¹ <http://www.winchester.gov.uk/news/2014/mar/high-court-rejects-zurich-assurance/>

Rep No	Representor	Summary of comments made	Officer Response
		<p>7 Constraints</p> <p>7.1 The conclusions of the SHMA are ambiguous in their application of constraints. Guidance is very clear that the OAN should be an “unconstrained” forecast of demographic baseline plus appropriate adjustments for affordable housing, market signals and economic growth. Constraints such as Green Belt are not to be applied at the stage of the OAN assessment.</p> <p>7.2 Paragraph 10.42 of the SHMA says that this forecast of 725 homes a year for Spelthorne could “potentially” be considered to represent the full OAN “in the absence of development constraints”. Whereas paragraph 10.38-10.39 suggest instead that a constrained figure of 543 homes (with no adjustment for economic growth or market signals) is the minimum that would be compliant with the Guidance on OAN.</p> <p>7.3 The argument appears to be that the existence of constraints (such as Green Belt) mean that future economic policy will need to limit employment growth in order to suppress housing need, and therefore “economic policy-on” housing need will be lower, even without directly applying planning policy constraints. This is not a reasonable interpretation of “unconstrained”, and the SHMA needs to be clearer that the higher figure is the OAN. It is misleading to present it as a range as the lower end of the range does not include the full range of adjustments required by the Guidance.</p>	<p>Noted, the demographic need projections do not take account of any constraints.</p> <p>543 homes is not a constrained needs figure, it is the lower end of the OAN range which reflects demographic trends only.</p> <p>Noted. Future economic forecasts will not consider economic land supply constraints. The text in this chapter will be amended to confirm this.</p>
027	Savills on behalf of Crown Golf	I write on behalf of our client Crown Golf who own a portfolio of sites in the Runnymede and Spelthorne area. As such they have an interest in the outcome of the Runnymede and Spelthorne Strategic Housing Market Assessment (SHMA).	Noted.

Rep No	Representor	Summary of comments made	Officer Response
		<p>The draft SHMA indicates that the Objectively Assessed Housing Need (OAN) across the Runnymede and Spelthorne Housing Market Area should be 1,250 homes per annum. This is a 56% increase compared with the OAN presented in the Runnymede Strategic Housing Market Assessment Final Report of February 2009 and the Spelthorne adopted Core Strategy of February 2009.</p> <p>Crown Golf would like to endorse the outcomes of the Draft SHMA in relation to the overall need for housing. It is however considered that further refinement is required in order to address economic considerations and the potential expansion of Heathrow Airport. This may result in the OAN increasing further.</p> <p>During the SHMA workshop on the 13th July 2015 it was identified by delegates and confirmed by the Council that further work was required in order to be able to fully test the economic considerations for the OAN. Crown Golf would agree that further work is required to provide a more</p>	<p>Comment noted.</p> <p>In regard to the possible expansion at Heathrow Airport, although the recommendations of the Davies Commission have been issued, the Government is yet to make a decision on airport expansion (which we are hoping for later this year). Even when a decision on airport expansion has been made by the Government, it will still then be some time before the impact of any proposed expansion at Heathrow on the nearby boroughs can be properly evidenced and understood. As such for the foreseeable future we will not be able to assess the impact of a possible expansion at Heathrow Airport in the SHMA. Officers accept however that when we are further progressed with the preparation of both Boroughs' Local Plans, if expansion at Heathrow does get approved, our evidence may need refreshing to take account of any evidence produced which quantifies what the impacts for the Runnymede-Spelthorne HMA will be. In such a scenario, both authorities will need to work with Heathrow Airports Ltd and neighbouring authorities under the DtC to understand the impact of expansion, the role that improved public transport could play in labour supply and the effect this could have on housing needs. Additional text will be added to the SHMA to clarify the existing situation.</p> <p>Support for approach noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>informed OAN.</p> <p>It was also identified that the current SHMA did not consider the potential impact of an expansion of Heathrow Airport. Whilst the detail of these plans are not yet known, it is considered that the SHMA should acknowledge that there is a potential for the OAN to rise considerably as a result of the proposed expansion Heathrow.</p>	See comments above in response to the representation on this point.
028	Staines Town Society	<p>Staines Town Society's comments relate to Spelthorne, though no doubt the issues are similar in Runnymede. We appreciate that this is an assessment of need, carried out according to a protocol supplied by Government, and that it will be modified by consideration of development constraints to produce the final targets. The modification had better be extensive. We would like to put it on record that increases in housebuilding at these rates, 500 or more per year over the plan period, would be a disaster for local residents. Precious open space would be lost, and all the pressures that impact on our environment – congestion, air pollution, noise, crowds, pressure on infrastructure – would significantly increase. The consequent costs to the Local Authority may outweigh the temporary financial gain from new housing. Para 1.4 quotes the NPPF: plans should meet assessed needs unless the adverse impacts would significantly or demonstrably outweigh the benefits.</p> <p>1. Population size</p> <p>We note (4.6) that the population has grown by 8% over the past 10 years, with a housing target of 166/yr and a completion rate of 178/yr, and have seen no evidence that the same rate of growth cannot be accommodated in the Plan period without increasing housing numbers. Indeed it is very likely that the rate of population increase has been directly controlled by the availability of housing, and has been stable for the last 10 years because the housing target has not changed. If 166/yr</p>	<p>Comments noted.</p> <p>Agree in part that the assessment of need in terms of demographics and in-migration has little to do with local housing need. However, the affordable need and need arising from natural change is local need. Whilst the concerns are noted, the SHMA cannot take a 'policy on' approach and must include migration. Further, population projections will have contained an element of suppressed housing demand given that the effect of adopted policies constraining supply would translate</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>gets you a population increase of about 1% a year, what will a target of 511/yr produce? If more houses are built then more people will move here to escape London house prices, and then add to commuter congestion. This has nothing to do with local housing need.</p> <p>The predicted 18% population increase is about 1/3 natural increase and 2/3 inward migration. These figures are important and it is worrying to see that they appear to be unreliable. 2.52 and 2.53 state that net inward migration was about 700 (100 to Spelthorne and 600 to Runnymede) in 'the year leading up to the census'. Fig 38 in sec 4.10 states that net migration into the HMA was 1531 in 09-10 and 1103 in 10-11, not 700.</p> <p>Further, it is explained that UPC figures are, obviously, only available for years before the census. But omitting any estimate of them from the totals for 11-12 and 12-13 is equivalent to putting in a figure of zero, without any warning of uncertainty. This inflates the totals.</p> <p>Fig 43 in sec 4.22 gives figures for the total population change in 09-10 and 10-11 which are also not consistent with sec 4.10. We would argue that assisting inward migration is not the same as meeting local housing need, but if migration is included then more clarity is needed in the figures.</p> <p>Fig 41, in sec 4.20, projected population growth in Spelthorne, has a large prediction based on a relatively short section of actual data, and hence contains considerable uncertainty. A small change in the predicted gradient would significantly alter the 2033 total.</p>	<p>into future forecasts.</p> <p>The information in section 2 is rounded and only reflects internal migration. Therefore a fair comparison would be the rounded 500 and 700. The projections used the more detailed data.</p> <p>The ONS changed their approach to collating internal and international migration post 2006 therefore it is unlikely that there would be recent UPC changes post the census.</p> <p>Figure 43 does not give total population change, it shows the natural change and migration components of population change, these are different to the figures in Section 4.10.</p> <p>Figure 42 is the correct graph for Spelthorne. As noted in the draft SHMA the reason for basing projected growth on short term trends is due to the accession of EU states in 2004 and the impact this had on migration since. Looking longer term would not factor this in.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>2. Household formation</p> <p>The predicted rate of household formation is crucial in translating population numbers into housing requirements, and must therefore be supported by robust evidence. But the prediction in fig 47 of a future downward trend in average household size is not justified by the evidence at all. The actual figures show a small increase in household size in the years 2001-13, and the likely continuation of austerity and the constraints of capacity in Spelthorne suggest that this will continue. Sec 6.51 confirms the uncertainty in these predictions.</p> <p>How has household size remained steady? We note that Spelthorne BC approves about 750 house extensions a year. Many of these will be accommodating larger households, e.g. adult children and partners remaining in parents' house rather than forming a new household, or 'granny annexes' releasing another house, or friends sharing rather than forming separate households. The issue is not whether this is good or bad; it is happening and will continue to happen in the foreseeable future, and it is increasing housing capacity. The document should contain an estimate of how much of the baseline demographic need is being met by shared households, now and in future. We suggest that the contribution is significant, and helps to explain how an 8% population increase has been accommodated without raising housing targets in 2003-13.</p> <p>3. Housing need in Spelthorne is closely tied to financial need, and will not be eased by building market housing for incoming Londoners. We hope that the final housing policy will concentrate on enabling the provision of the various types of affordable housing, and also, as stated in 3.5, on providing an appropriate mix of attractive homes to encourage older householders to downsize and reduce the 72% under-occupation. We suggest that sec 7 on economy/employment is treated with caution. The authors admit that its predictions are not robust.</p>	<p>Noted. However the 2012 projections do show a general trend of falling household sizes from 2011 and both the 2011 and 2008 projections show falling household sizes. In any event it cannot be assumed that austerity and/or recessionary impacts will last over the next 20 years.</p> <p>Noted. The last EiP for Spelthorne discussed the role that extensions play in increasing the stock of larger dwellings within the Borough, which to some degree gave rise to the small dwellings policy HO4 of the Spelthorne Core Strategy & Policies DPD. Requiring 80% of new units to be 1 or 2 bed as set out in Policy HO4 will ultimately reduce household size over time.</p> <p>Comments about suggested planning policy approach are noted. In regard to the 'economic led housing requirements' chapter, as stated in the SHMA, officers acknowledge that further economic forecasting is required. Both Authorities are committed to doing this additional work, which will form an addendum to the SHMA in due course.</p>

Rep No	Representor	Summary of comments made	Officer Response
029	Trilogie Corporate Real Estate on behalf of Kerry Foods	<p>Thank you for your letter to my client Kerry Foods dated 1st July 2015. We act for Kerry Foods in respect of its property matters and have been asked to respond to you on Kerry Foods behalf. My client welcomes the opportunity to comment on the draft version of the SHMA that has been produced by GL Hearn.</p> <p>My client supports the findings of the report to provide an increased housing provision in the Runnymede Borough.</p>	<p>Noted.</p> <p>Support noted.</p>
030	White Young Green on behalf of European Urban Development Ltd	<p>This letter constitutes formal comments on the Runnymede and Spelthorne Draft Strategic Housing Market Assessment (SHMA). These comments are made by WYG Planning on behalf of European Urban Development Ltd. WYG Planning attended the recent Stakeholder event at Spelthorne Borough Council on 13th July 2015 on behalf of European Urban Development Ltd, and the comments made in this letter are made in response to information pointed out at this event and as detailed in the GL Hearn May 2015 SHMA report.</p> <p>Section 2 – ‘Defining the HMA’ We are in agreement that a SHMA can be jointly produced between Runnymede and Spelthorne, as an appropriate Housing Market Area. However, we are unclear on how the Duty to Cooperate will work in terms of sharing the findings of SHMAs on a sub-regional basis, as referenced at para 2.93, and the timescales for bringing this forward, based on the variance of dates of information between different market areas.</p> <p>Section 3 – ‘Characteristics of the Housing Market’ We would like to emphasise the importance of the first key message from this section, that housing supply was constrained between the years of 2001-2011, which highlights that there has been a historic</p>	<p>Noted.</p> <p>Noted. Both Runnymede and Spelthorne have been in contact with and commented on similar SHMA consultations with neighbouring local authority areas under the Duty to Cooperate. This will continue as both authorities’ plans progress. Also, authorities in Surrey are working towards a joint Local Strategic Statement which will bring together the evidence from various SHMA studies across the whole county.</p> <p>Disagree. Past delivery is based on current adopted housing targets. It is not the place of the SHMA or the Local Plan going forward to attempt to make up a shortfall of ‘need’ from previous plan periods.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>undersupply of housing, based on housing need. The number of units constituting undersupply has not been identified in the report. When this number is identified, we would welcome the opportunity to make comments again.</p> <p>Section 4 – ‘Assessing Overall Housing Need’ We agree that the base data for housing land supply figures should be the DCLG 2012 base projections. However, we emphasise the importance of previously unmet need and the duty to cooperate in addition to this figure, in the calculation of objectively assessed housing need.</p> <p>Section 6 – ‘Market Signals’ Paragraph 16 of national Planning Practice Guidance (PPG) outlines that trend data does not take into account previously unmet housing need: ‘...The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends. For example, formation rates may have been suppressed historically by under-supply and worsening affordability of housing. The assessment will therefore need to reflect the consequences of past under delivery of housing. As household projections do not reflect unmet housing need, local planning authorities should take a view based on available evidence of the extent to which household formation rates are or have been constrained by supply’.</p> <p>Section 6 of the Draft SHMA provides an assessment of the consequences of past under delivery of housing, however there is a gap in the assessment method as historic housing targets do not reflect historic housing need. These limitations are recognised in the document at paragraph 6.26, which states ‘It should however be remembered that housing targets in both authorities against which supply is measured</p>	<p>This would have been considered in previous Regional Plan or Local Plan examinations in any event. Also see earlier point relating to Winchester V Zurich Case in rep 026.</p> <p>The SHMA deals with housing need not housing land supply. See responses to the comments made on sections 2 and 3 above to address the other points made in this paragraph.</p> <p>Quote noted.</p> <p>See comments above in relation to Zurich V Winchester case.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>have been influenced by supply-side factors, such as land availability and Green Belt, and do not necessarily reflect housing need’.</p> <p>The need for producing this SHMA was triggered by a Local Plan Inspector concluding that Runnymede did not have an up to date SHMA and thus no up to date evidence base for their plan as it underwent examination. The Planning Inspector agreed with representations made that Runnymede have a significant previously unmet housing need, and that a SHMA should be undertaken to assess the full and objectively assessed housing needs of the borough.</p> <p>The Draft SHMA does not appear to address these limitations, the issue of historic undersupply, or suggest how this could be addressed further in the plan process. We consider that without proper consideration of previously unmet housing need, the SHMA cannot properly reflect objectively assessed housing need, be fit for purpose, or properly inform the local plan process as a credible evidence base document.</p> <p>The Affordability of Market Housing was subject to assessment, concluding that affordability pressures are significant and that there is a supply-demand imbalance, and that there should consequently be an upward adjustment of housing need (as recommended by the PPG).</p>	<p>The Inspector did not comment on whether the Council had a significant previously unmet housing need in his conclusions letter, the comments he made were in relation to the Council’s proposed housing target as a proportion of the Objectively Assessed Housing Need which was determined in 2013.</p> <p>Disagree. It is the role of the SHMA to consider housing needs based on the latest CLG data and make adjustments (where necessary) to account for suppression in household formation rates which have been projected forward in the CLG data and account for market signals and affordable need. However, it is not the role of the SHMA to account for any historic unmet need in the market sector due to past housing targets being lower than demand as these would already have been discussed at previous Local Plan examinations and/or Regional/Structure Plans. With respect to affordable housing needs these have been calculated as per the PPG methodology. Also see Winchester V Zurich Case.</p> <p>Noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Sub-section 'Market Signals Uplift' attempts to determine the appropriate level of uplift, however it is not clear from the text how projections have been made, or how the sensitivity analysis was carried out to reach the potential uplift in Runnymede of 25 units per annum. We would welcome additional detail on this.</p> <p>We are also not clear how these projections compare to previous assessments of unmet housing need in Runnymede, or whether such assessments have even been considered. We would welcome clarity on this.</p> <p>Finally, the text outlines that the potential uplift would 'support an uplift in affordability', which suggests the proposed uplift would not fully support/account for an uplift in affordability, and therefore does not reflect the full objectively assessed housing needs of the borough. We would welcome clarity on how the figure of 25 units has been arrived at, and if/how a larger uplift would result in either over provision or contribute further towards reaching objectively assessed housing need.</p> <p>Additionally, the section justifies the uplift by indicating it is broadly in line with figures projected by Economic-led Housing requirements (covered in section 7). We query that previously unmet need should be met in addition to any economic based future housing projections and therefore that the potential uplift proposed (being similar to economic-led housing forecasts) is too low?</p> <p>Conclusion We consider that the approach of identifying a range of OAHN is not comprehensive, and should identify all the economic need base housing (an additional 66 units) as OAHN.</p>	<p>Previous unmet need have not been considered (see above) The analysis effectively looks at the number of households formed if the HFR in the official 2012 based projections are used or if they return to 2001 levels within certain age groups. The difference is therefore the uplift.</p> <p>This approach has successfully undergone examinations.</p> <p>Point regarding previous unmet needs has been addressed above.</p> <p>Noted. However, further work around economic/employment forecasting is required and will feed into an update/supplementary report.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>Other matters</p> <p>We question the approach, within the context of housing need discussion (separate from plan making), of spreading previously unmet need equally over the time period of the plan, when the Sedgefield Method of calculating Five Year Housing and Supply (approved by the PPG), stipulates that unmet housing land supply should be frontloaded. We consider that housing need is likely to be greater at the beginning of the plan than the end of the pan because of existing unmet housing need.</p>	<p>The Sedgefield method involves dealing with any undersupply of housing in the first 5 years of a plan period. Monitoring reveals that both Runnymede and Spelthorne have met adopted housing targets and as such there is no undersupply. In any event it is not the role of the SHMA to consider supply side delivery.</p>
031	Nigel Moor on behalf of CABI	<p>Ian Barry CFO CABI and I attended the stakeholders meeting held on 13th July 2015 and have read the executive summary of the final draft report of the Strategic Housing Market Assessment. We are fully supportive of the conclusions and recommendations.</p> <p>In terms of the evidence base for the Council's emerging local plan we draw attention to the fact that owing to organisational changes within CABI, the whole of the site at Bakeham Lane, Englefield Green which totals 1.64 Ha will be available for residential development during the period 2016 – 2021 and is shown edged in red on the enclosed plan. At an average density of 30 dwellings to the hectare the site fully developed could yield 49 dwellings. This is a brownfield site and we draw attention to our earlier representations in support of the development dated February 2013 which are on your local plan file.</p> <p>We would be pleased to meet with officers so as to discuss how this site can be brought forward to contribute to the borough's urgent housing needs.</p>	<p>Support noted.</p> <p>Noted, but it is not the role of the SHMA to consider individual sites or land supply. This will be considered through the Strategic Housing Land Availability Assessment (SLAA) which both Authorities will need to undertake in due course. A call for sites for the Runnymede 2015 SLAA is currently underway.</p> <p>Officers suggest that the site is submitted for consideration through the 2015 SLAA. Officers will contact the agent if there are any queries or if further discussions are felt to be beneficial.</p>
032	Egham Residents' Association	<p>The Egham Residents' Association would like - horribly belatedly, we readily acknowledge - to express concern about the implications of the Spelthorne and Runnymede SHMA.</p>	<p>Comment noted.</p>

Rep No	Representor	Summary of comments made	Officer Response
		<p>In paragraph 40 of Conclusions and Recommendations, it is stated that in Runnymede there will be an overall need for 459-525 additional homes per annum in the 2013-33 period. That means a total of about 10,000 extra homes in the borough over that time.</p> <p>The same paragraph says that the National Planning Policy Framework “affords significant protection to Green Belt”. Significant? How robust is ‘significant’ in this context?</p> <p>How can 10,000 further homes be provided in Runnymede without further incursions into the Green Belt? Is this not a story of incompatible and contradictory objectives?</p>	<p>Comment noted.</p> <p>Chapter 9 of the NPPF confirms that a local planning authority should regard the construction of new buildings as inappropriate in Green Belt, unless they fulfil one of a number of listed exceptions. Chapter 9 also confirms that inappropriate development is, by definition, harmful to the Green Belt and should not be approved except in very special circumstances. Whether very special circumstances exist is considered on a case by case basis through the planning application process but the Government has confirmed through a number of ministerial statements that the Secretary of State wishes to make clear that, in considering planning applications, although each case will depend on its facts, he considers that the single issue of unmet demand, whether for traveller sites or for conventional housing, is unlikely to outweigh harm to the green belt and other harm to constitute the ‘very special circumstances’ justifying inappropriate development in the green belt (Brandon Lewis, July 2013).</p> <p>As part of the Plan making process, the NPPF states that Green Belt boundaries can be reviewed, although they should only be altered in exceptional circumstances. Runnymede appointed a company called Arup to undertake a review of all Green Belt land in Runnymede. This Review considers how well existing Green Belt land is performing against the purposes of including land within the Green Belt. The Review recommends that a number of parcels of Green Belt land in Runnymede perform poorly against the purposes and as such the Council could look to return these parcels of land to Urban Area through the Local Plan. These parcels of land could then help meet identified development needs.</p> <p>The SHMA and the Green Belt Review are however only two pieces of</p>

Rep No	Representor	Summary of comments made	Officer Response
			evidence that will underpin the new Local Plan. As the Local Plan in Runnymede is progressed a range of studies will need to be completed before the Borough's land supply can be determined and an annual housing target arrived at.