

Statement Regarding Matter 3

Submitted by:

Kirklees Community Action Network

Document Version

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Q ref	<u>Matter 3 - Overall Housing Need</u>
3.a	<p>Housing Market Area. The Plan and the SHMA make the case that <i>“Kirklees CAN BE considered to be an appropriate (single) housing market area for the purposes of local plan policy making”</i> but they fail to make the case that it is THE MOST APPROPRIATE Housing Market Area. Quite simply, the alternatives have not been properly tested. We believe that it would be more realistic to look on Kirklees as TWO distinct Housing Market Areas – Greater Huddersfield and Greater Dewsbury. This is because, apart from the hugely dysfunctional local government structure, which was forced on the area in 1974, there is little in common between the two distinct halves of Kirklees, centred on Huddersfield and Dewsbury respectively. The two halves have different topography, social structures, economic structures, housing needs, development patterns, types of settlement, estate agents, transport patterns, countryside and connectivity with adjacent Local Authority areas (other SHMAs). Very few people actually move house from one half of Kirklees to the other. In our view, it is wholly inappropriate and potentially damaging to ignore the natural Housing Market Area boundaries, simply to reinforce the artificial concept of Kirklees as an integrated political and planning unit.</p>
3.b	<p>Housing Numbers. The Local Plan and SHMA suggest that there is a need for 31,140 new homes over the plan period. However this is based on unsound theoretical projections from the Office of National Statistics (ONS), which have varied wildly with the publication of new statistics on every two year cycle. The current projections used in this version of the Local Plan are about 6.1% higher than the ones used in the consultation draft plan just 12 months previously!! The simple fact is that, whatever figures are used, theoretical statistics and 15 year simple trend projections from a 5 year historical baseline (the basic methodology used by ONS) are not a reliable basis for setting long-term fixed housing targets. We have consistently argued in favour of a much more flexible and dynamic plan structure, which would obviate the need for reliance on fixed housing targets that are, in practical planning terms, counter-productive and undeliverable – all to no avail. NB: KCAN works closely with the Campaign to Protect Rural England (CPRE) and we are aware that CPRE, based on a detailed professional analysis of all the factors, has put forward a maximum housing target of 1,400 dwellings p.a. (25,000 dwellings over the lifetime of the plan). Were the Council to still insist on adopting fixed, rather than flexible housing targets, we would be prepared to support the CPRE recommendations.</p>

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3.b	<p>Homes – Lack of Consistency with Neighbouring Authorities. Following the previous LDF debacle, the housing numbers were increased [in the Kirklees Local plan] to be more consistent with those adopted in the Leeds City Core Strategy. However, after an SHMA review in 2017 as part of their Site Allocations Plan, Leeds City are now proposing to reduce their Core Strategy housing “targets” from 70,000 to under 55,000 [circa 23% overall reduction] and the annual delivery target is reduced even further, because the gross figures are to be measured over a longer period. In order to maintain consistency with Leeds City, Kirklees Council should therefore now reduce the OAHN by at least 23%, but has neglected do so.</p>
3.c	<p>Homes – Jobs led additions. The 2014 base ONS housing projections and the SHMA indicate a base housing requirement of 1584 dwellings annum over the plan period. This is a modified “trend based” projection from a five year historic baseline and as such takes practical account of jobs growth. Ignoring the fact that there is an element of double counting, we can find no objective evidence in the Local Plan, SHMA, the Council’s Economic Strategy or elsewhere that would justify the additional “jobs-led” requirement of 146 dwellings per annum. We believe that the assumptions of a 75% employment rate and 4.5% unemployment rate are far too aspirational and unachievable, especially with the uncertainties of Brexit. We note that the unemployment level in Kirklees is currently 5.1% compared to 4.9% in Yorkshire and Humber generally and 4.7% in Britain as a whole, whilst in Kirklees it has not been less than 4.7% since 2006. In fact we find the Council’s Economic Development Strategy to be deeply unconvincing on many levels and note that it has not been approved by the Council as an adopted strategy. It therefore has no validity as an evidence base for the Local Plan.</p>
3.e	<p>Recognition of Market Signals. There is much anecdotal evidence that the Kirklees housing market is relatively stagnant and many new homes that are being built are difficult to sell. However, the strongest arguments against adoption of a 31,140 dwelling fixed target (1,730 per annum) are that it is inconsistent with long-term market evidence and is not deliverable. It represents an increase of around 68% on the long term historic housing completion rate in Kirklees (i.e. the proven market need) and well over 500% on the actual completion rates since April 2013. We do not believe that the local house building industry has sufficient resources to deliver such a large increase in housing completions, in time to deliver the plan – especially when all other Councils in the Region are also seeking to boost housing delivery by similarly unachievable margins. The low completion rates since April 2013 also mean that there is already a shortfall of over 3,500 dwellings against the notional Local plan profile. This shortfall would have to be recovered in later stages of the plan if the fixed target of 1,730 dwellings per annum were adopted and every year of under-delivery compounds the difficulty of achieving over the lifetime of the plan. Quite simply Kirklees is already on a steep slippery slope towards non-achievement with an effective compound growth of annual targets.</p> <p style="text-align: center;">The Local Plan is effectively being “set up to fail”.</p> <p>It is therefore clearly in the interests of the Council, communities and ultimately the developers to adopt lower, achievable targets, rather than unachievable, “wildly aspirational” targets. In our view the actual long term historic house completion rate of 1050 per annum would be a far more justifiable and sustainable “target” to include in the plan, perhaps with an aspirational (but not binding) aim to build towards a higher completion rate over the lifetime of the plan – if, and only if, the theoretically calculated higher housing need is proven in practice.</p> <p>NB: It is important to note that the housing market in Kirklees is very, very different to the over-heated housing market in the South East of England, which is driving Government Policy and so much of the current planning system. It is critically important that problems and solutions in the South East do not also shape the solutions in the Kirklees Local Plan.</p>

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3.g	OAHN Adjustment in the light of Brexit. There will certainly be a need to adjust the OAHN downwards to reflect lower immigration levels and potentially lower economic growth after Brexit. However it is too early in the Brexit process to be able to quantify the level of adjustment. In our view Brexit is just one of the unknown factors that will have a significant impact on the OAHN over the lifetime of the plan and the plan needs to be sufficiently flexible to accommodate them. Sadly it isn't in its' present form. One of the major problems is that, while there is some flexibility in the plan to increase the OAHN or allocate further land for development, there is absolutely no flexibility to reduce the OAHN or reverse site allocations and green belt releases that have already been made. This "one-way ratchet" flexibility is an extremely compelling argument in favour of starting off with a low OAHN, which can be increased if needed, rather than starting with a high OAHN which cannot be reduced. It is also a compelling argument in favour of keeping development allocations and green belt releases to an absolute minimum at the start of the plan.
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