

Housing: comments on Joint Local Plan Issues consultation

Strategic Housing Market Assessment (SHMA)

The SHMA has identified a need for between 1,177-1504 dwellings per annum across Stoke on Trent and Newcastle under Lyme. These figures do not seem to reflect any of the current or projected statistics that have been provided in the housing requirement forecasts of the Core Spatial Strategy (CSS) 2009 (855 dwellings per annum 2006-2026) or the 2012 Sub-National Housing Projection (SNHP) (published Feb 2015, stating 691 dwellings per annum).

Taking into account the population estimates that have been provided by the ONS

http://webarchive.nationalarchives.gov.uk/20160105160709/http://ons.gov.uk/ons/dcp171766_345019.pdf

On sheet 5 of the attached Excel file of ONS data on sub-regional population estimates and projections, 2001-2021, the highlighted row for NuL predicts a population increase for the period 2011-2021 of 5.2%; of that, a significant proportion will be aged over 65.



Copy of
regionalprofilespop

Absence of supporting evidence

- The figures projected from the SHMA for the required number of dwellings appear highly unrealistic and there no transparent evidence is provided in the Joint Local Plan paper, Housing Technical Paper, SHMA or other evidence to support such a dramatic increase in housing as compared to previous projected figures.
- The main driver of the 58% increase in housing requirements over the previous CSS and SNHP needs to be evidenced, given that (1) the predicted population increase for the area is only 5.2% and (2) there are no transparent reports of the dramatic economic or employment market change.
- There is no link to evidence from Experian, Cambridge Econometrics or Oxford Economics on economic or employment forecasts that provides transparent evidence to conclude that a 58% increase in housing is required in the borough.
- The Joint Employment Land Review, section 3.19, states that Stoke on Trent's "skills gap" is harming the city's growth prospects. This is evidence that currently there is no prospective growth in the job market in the area to support a 58% increase in dwellings. The stakeholder

engagement (Appendix 1 of the SHMA) also states stakeholders' concern that the job forecasts presented are high compared to historic trends.

Data presented in the SHMA

Data presented in the SHMA points to a **low** demand for housing in the HMA.

- Level of owner-occupation high in comparison to West Midlands and England.
- Level of under-occupation of dwellings very high in comparison to West Midlands and England.
- House prices low in comparison to West Midlands and England.
- Rents low in comparison to West Midlands and England.

Demographics of NuL

Demographic data for NuL indicates a dying town.

Graduates and mid-career people are leaving the area. This indicates a low-skill, low-wage economy.

The student population (18-24 age group) is entering and leaving via a revolving door.

Out-migration in the 25-44 age group contributes to (1) declining birth rate, (2) out-migration of existing children.

NuL's need during the Plan period is not for attempts to manipulate the housing market as proposed in the SHMA, but for transformative change, starting not with housing but with education and skills.

Brownfield land

The viability of brownfield land remains a significant issue in SoT and NuL (para. 2.22 Joint Local Plan). With the RENEW program no longer existing, developers have no incentive to develop this brownfield land. Until the Borough Council come forward with a coherent strategy to address this regeneration of the area, it will continue to remain unattractive to investors, developers and employers.

Completion rates

SoT and NuL need to address their housing strategies' completion rates. A weak housing market in the area has impacted on the number of houses that have been built. There is also a significant gap between the number of dwellings given planning permission and then completed from 2006/2007 to 2014/2015.

There are errors and omissions in the data on completions presented in Tables 2, 3 and 5 of the Housing technical paper (see further below). The totals for permissions and net completions across

the period should be 10893 and 5798, respectively, meaning that only 53% of dwellings granted planning permission were actually completed.

- This is yet another indicator of a weak housing market, and that there is insufficient demand to indicate a 58% increase in dwellings over the Plan period.
- SoT and NuL need to determine and address the main cause of this significant lack of completions.

Further comments on Housing technical paper

Errors in Tables 2 and 3, page 8

The following raise questions about the accuracy of the data presented for NuL in the Housing technical paper and the quality of NuL's record keeping.

- Table 2 Either errors of simple addition/subtraction (NuL column) or error in record keeping on gross completions.
- Table 3: NuL has no data on the number of affordable housing units completed in 2014/15 and had to derive the number from HCA Housing Statistics.
- Table 3: NuL has no data on the numbers of flats and houses completed in 2014/15.

Errors in Table 5, page 9

The following raise further questions about the accuracy of the data presented in the Housing technical paper and the quality of record keeping.

- 2014-15 permissions omitted from addition in column on planning permissions; and consequent incorrect total and average.
- 2006-07 incorrect number of net completions; and consequent incorrect total and average.
- False comparison of totals and averages across the three columns.

Housing strengths and weaknesses, pages 21-22

The points listed as strengths indicate a low demand for housing.

Many of the points listed as weaknesses are not housing indicators but economic and social indicators.

Strengths

- Good supply of brownfield land.
 - Indicates dereliction and lack of demand
- Good supply of sites with planning permission for housing development in Stoke-on-Trent.

- Indicates lack of demand; housebuilders would have built sites out if there was a prospect of sales.
- Slight recovery in the housing market is likely to improve development viability within the area.
 - Indicates lack of demand.
- Location of Stoke-on-Trent and Newcastle-under-Lyme in relation to Manchester and Birmingham gives good access to wider centres.
 - It is difficult to see how the ability to depart from SoT and NuL for centres with far stronger economies qualifies as a strength.
- Rental Values continue to be lower than regional and national averages with little evidence of rental increases over recent years.
 - Indicates lack of demand.
- Both authorities have historically seen lower house prices when compared against adjoining authorities, however there are notable spatial variations across the housing market area.
 - Indicates lack of demand.
- Housing delivery has remained relatively consistent in Newcastle-under-Lyme, despite the recession.
 - Indicates lack of demand.
- Housing is relatively affordable in Newcastle-under-Lyme and Stoke-on-Trent compared to surrounding areas and national averages.
 - Indicates lack of demand.

Weaknesses

- There is a high reliance on the social rented sector.
 - Indicates low-wage economy and weak jobs market
- Notable spatial variation in house prices across the HMA.
 - Indicates need for housing regeneration.
- Some areas in the City experience high levels of vacant stock, particularly in the Inner Urban Core.
 - Indicates need for urban regeneration.
- Historically, planning permissions for housing have not always been built out.
 - Lack of demand. House-builders will not build where there is no market for their products.
- The amount of new additional housing delivered in both areas is substantially below future projected needs.
 - Indicates lack of current demand and calls into question accuracy of future projected needs.

- Loss of residents to other areas, particularly skilled graduates.
 - Indicates low-skill, low-wage economy.
- There are fewer large high-value properties when compared to neighbouring authorities and a comparatively limited number of high income earners within both authorities. This lack of housing choice may therefore cause households to move out of the area to access greater choice and creates a relatively low representation of households with higher income earners.
 - Low-skill, low-wage economy; residents cannot afford to choose high-value properties.
- Weaknesses in the local housing market may have historically led to planning permissions for housing not being built out.
 - Lack of demand. House-builders will not build where there is no market for their products.
- Stoke-on-Trent has a particularly weak housing market compared to surrounding areas (e.g. Newcastle-under-Lyme, Cheshire East, Staffordshire Moorlands etc.)
 - Lack of demand in depressed area with low-skill, low-wage economy.
- Viability of land – The economic downturn has stimulated a sharp decline in land values.
 - Lack of demand.
- Developer confidence in the area may have been reduced following the RENEW scheme.
 - Do not blame programmes to improve existing housing stock for lack of demand. SHMA comments that some planning applications in NuL were *refused* on the basis that they might negatively impact on the RENEW programme – this is not an indicator of lack of developer confidence, it is an indicator of lack of demand.
- Poor quality of the private rented sector, which helps to accommodate those in need of affordable housing.
 - Lack of demand. Need for housing renewal.
- The quality of student accommodation.
 - Need for housing renewal.
- Perception of the area – The change in the economic landscape has created some environmental issues in the area.
 - Depressed economy, need for transformative change.
- Past under delivery of housing against local housing targets in Newcastle-under-Lyme and Stoke-on-Trent.
 - Lack of demand. House-builders will not build where there is no market for their products.
- Low paid jobs in the City mean that housing affordability is still getting worse, despite low house prices and rents (affordability is not considered to be an issue from outside the area).

- Depressed economy and society, need for transformative change in education and skills, environment and economy.

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