Session 3 – 09.30 Wednesday 22 May 2019 Matter 3 Housing and Employment Objectively Assessed Needs (OAN) and Requirements - Springwell Village Resident's Association Response to ~inspector's questions EX4.004

	EX4.004		
 1. The Housing OAN and Requirement 1.1. Does the evidence base support the requirement for housing of 745 dwellings per annum (dpa) or 13,410 dwellings for the LP period taking into account demographic and economic factors, market signals and affordable housing need? 	Out of date information and unclear methods have been used to arrive at inflated figures for housing need. Out of date information and unclear methods have been used to calculate population resulting in a proposed increase of 21,161 rather than 2,816 13,410 houses are not needed. 5,044 houses are needed using CLG2016,		
	 7,675 houses have already been delivered in the life of the Plan – so the need has already been met 		
	The rate at which the aspiration would have to be delivered over the plan period is not sustainable Sunderland has inappropriately used housing densities at		
	<30homes/hectare. This is inefficient land use and means that houses would be more expensive than they need be. i.e they have excluded the issue of affordability. <30homes/hectare is equivalent to >£500,000 house prices ie unaffordable. This is also inefficient use of high value Green field/ Green belt.		
	There is no historic evidence that affordable housing in Sunderland has been achieved and using this density (<30/ha) there is no indication it will be, especially as Sunderland's aspiration only includes 15% affordable housing. Affordable starts and completions average 300/annum 2015-2018 against a total of 872 per/annum 2015-2018. (Chart 6.1 John Blundell refers) So there is an undersupply of affordable homes, and no plan to improve this. The houses being delivered are unaffordable for the people who need them.		
1.2 Is the approach to calculating the OAN and housing requirement reasonably consistent with other local planning authorities (LPAs) in the region?	Sunderland uses jobs predictions that relate to the whole of the North East – other local authorities have used the same jobs to justify their own Local Plans ie double counting		
1.3 Should the housing requirement be higher: a. To support job growth, including that at the International Advanced Manufacturing Park (IAMP) and/or b. To support an uplift in Household Representative Rates for 25 to 44 age range and to help address the affordable housing imbalance?	Unemployed people already living in Sunderland have the same skill sets as are needed in the new jobs Sunderland claims will be created. These people should be the priority Most actual new jobs are predicted to be filled, as in the past, by people already living in Sunderland and commuters		

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	The aspiration for jobs created are not evidenced or justified There is no plan to improve the supply of affordable homes. Already only 34.36% of completions 2015-2018 were affordable and the proposals reduce this to 15%
1.4 Alternatively should the housing requirement be lower taking into account factors such as the impact of Brexit and introduction of the standardised methodology for calculating Local Housing Need?	The potential results of Brexit have not been factored in. recent announcements prove there will be an impact in terms of job losses. The heavy reliance on Nissan may well result in significant high impact for Sunderland and the whole of the North East.
2. The Employment OAN2.1 Does the evidence base support the OAN of at least 95 ha of employment land?	
3. Alignment between housing and employment requirements 3.1 Is there sufficient alignment between housing and employment requirements	It is inappropriate to rely on Enterprise Zones and IAMP (International Advanced Manufacturing Park) to justify the aspiration for excessive housing.Jobs may be created throughout the North East and people taking up jobs in these areas may well live throughout the whole Tyneside/Wearside area and further afield. For some Local Authorities Enterprise Zones are not delivering the jobs hoped for and therefore there is no evidence to back up Sunderland's aspiration for 7,200 jobs. Even if jobs are created, they may become widely dispersed throughout the full North East 12 Local Authority areas or North East Combined Authority (7 Local Authorities) Housing Market Areas. So there is no robust requirement justification. For some Local Authorities within the NE12LAs current significant job losses is an indication that the Enterprise Zones are not delivering the jobs suggested by the preferred option for 7,200 jobs.

SUNDERLAND CORE STRATEGY AND DEVELOPMENT PLAN SUMMARY OF ISSUES

- A. The Sunderland Core Strategy and Development Plan consultation failed to present reasonable alternatives to residents, failed to present Government required latest data for alternatives and ignored the use of available ONS 2016 Population Projections, or CLG 2016 Housing Projections. Any Strategic Environment Assessment alternatives also require proposals to explain why those alternatives were not used – none were presented for any public scrutiny.
- B. Out of date information and unclear methods have been used to arrive at inflated figures for housing need.
- C. The aspiration for jobs created are not evidenced or justified
- D. Sunderland uses jobs predictions that relate to the whole of the North East – other local authorities have used the same jobs to justify their own Local Plans ie double counting
- E. People filling vacancies may live throughout the North East – commuting is more likely than moving home to be close to jobs
- F. Out of date information and unclear methods have been used to calculate population resulting in a proposed increase of 21,161 rather than 2,816
- G. 13,410 houses are not needed. 5,044 houses are needed using CLG2016, (165% more)
- H. 7,675 houses have already been delivered in the life of the Plan – so the need has already been met
- I. The rate at which the aspiration would have to be delivered over the plan period is not sustainable

- J. The housing densities used represent inefficient land use and result in houses more expensive than they need be, unaffordable houses not aimed at meeting need and excessive and unnecessary use of greenbelt land.
- K. There is no plan to improve the supply of affordable homes. Already only 34.36% of completions 2015-2018 were affordable and the proposals reduce this to 15%
- L. If the land on the brownfield register were used efficiently, it could support over 6,812 homes – well above government requirement for Sunderland
- M. Unemployed people already living in Sunderland have the same skill sets as are needed in the new jobs Sunderland claims will be created. These people should be the priority
- N. Most actual new jobs are predicted to be filled, as in the past, by people already living in Sunderland and commuters.

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 The undisclosed POPGROUP spreadsheet that produced excessive housing and jobs scenarios stopped any ability to have a realistic consultation on the provenance validity of the Preferred option (13410, 7200) There has been no proportionate evidence particularly if the Preferred Option is 165.86% more than CLG2016 Housing requirement which was ignored at at Consultation, nor presented as an alternative, and there were no reasons given for not using it.

The consultation took place at least two months after the publication of the ONS2016 Population projections, and within 4 weeks of the CLG2016 Housing projections. This was not made known to residents or used as reasonable alternatives.

 The plan is not sound because it is not "Positively prepared, Justified, Effective or consistent with national policy because it conflicts with NPPF (National Planning Policy Framework) 2012 para 182 NPPF 2018 para 35 and 36.

It conflicts with the tests of soundness 2018NPPF35,36 2012NPPF182 on if the plan is strategically Positively prepared, Justified, Effective, or Consistent with national policy.

 The most recent CLG (Ministry of Housing, Communities and Local Government) 2016 Housing projections were not used. DCLG (Department of Communities and Local Government) 2014 was used – this is out of date.

The standard method uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic under-supply. It includes an element of affordability.

- 4. The latest Office of National Statistics (ONS)2016 Population, and CLG2016 Housing projections have been ignored.
- 5. It is inappropriate to rely on Enterprise Zones and IAMP (International Advanced Manufacturing Park) to justify the aspiration for excessive housing. Jobs may be created throughout the North East and people taking up jobs in these areas may well live throughout the whole Tyneside/Wearside area and further afield. For some Local Authorities Enterprise Zones are not delivering the jobs hoped for and therefore there is no evidence to back up Sunderland's aspiration for 7,200 jobs.

Even if jobs are created, they may become widely dispersed throughout the full North East 12 Local Authority areas or North East Combined Authority (7 Local Authorities) Housing Market Areas. So there is no robust requirement justification. For some Local Authorities within the NE12LAs current significant job losses is an indication that the Enterprise Zones are not delivering the jobs suggested by the preferred option for 7,200 jobs.

- 13,410 houses would be occupied by around 21,161 people. ONS 2016 suggests a population increase of 2,816. Therefore, the housing aspiration is disproportionate to the likely population in Sunderland over the period of the Plan.
- 7. Sunderland has used ONS 2014 (projected increase in population of 8,560) rather than ONS 2016 where a 2,816 increase is indicated.
- 8. Government CLG 2016 projects 5,044 houses are required to meet the demographic need.
- 9. Sunderland's preferred option of 13,410 new houses is 165% more that the government's projected need of 5,044. In England the average approval is for 20% above the government's projections.
- 10. All North East Local Authorities are affected by decreased population age 16-64. Sunderland's policy is to increase that age group by importing workforce from the adjacent LAs with the same issues. This method results in zero economic growth overall. Sunderland has used conjecture rather than accredited data to produce scenarios that do not stand up to close scrutiny,

The method used, POPGROUP is the spreadsheet that projects future jobs and housing requirement, is entirely dependent on realistic input. Junk In = Junk Out.

- 11. There is no source evidence for some of the data used. There is no evidence that there needs to be intervention to improve economic growth. Sunderland has one of the highest productivity rates (GVA/hour) in the North East. At 90.1% GVA/hour Sunderland ranks higher than the average 89% for the whole of the country excluding SE/London.
- 12. Sunderland has compromised their "Duty to Cooperate" by double counting jobs and the number of houses that will be needed. This has happened throughout the 12 Authorities in the North East. Their calculations go

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against the ONS2016 population projections which uses Natural (births-deaths), Internal, and International migration. (people filling new jobs are not from other LAs moving to Sunderland but are a result of fewer out commuters and more in commuters, the re-employed, and residents filling new jobs, all with homes already.)

The preferred option of 13,410 houses (as against a CLG2016 housing requirement 5,044) is not justified by an equally ambitious and unjustified imported workforce figure. In fact the ONS2016 Components of Change calculations suggest a negative internal migration is people will leave rather than come into Sunderland to work.

- 13. The number of planning applications for houses already delivered 7,675 is higher than what are needed using government methods of calculating housing need (CLG 2016 5,044)
- Planning Guidance issued in 2018 responded to concerns about deliverability by advising Authorities to cap aspiration at 40% above CLG2016 housing requirement. Using CLG2016, this results in 7,062 = half of Sunderland's current aspiration of 13,410.

This causes unnecessary greenbelt deletion. Whatever NPPF version is used, Sunderland's undeliverable aspiration needs to be addressed

- 15. Sunderland City Council's aspiration of 13,410 requires completions of 745/annum. This is well over the average completions of 9,011 2007-2018 at 501/annum. CLG 2016 indicates and need of 5044 houses a completion rate of 280/annum and even including affordability this only reaches 5,288 (a rate of 294/annum) therefore Sunderland City Council's aspiration is not sustainable.
- 16. NPPF and MHCLG Housing White paper talks about "right homes in the right places". The 7,675 completions already delivered have gone against this with the SHLAA (Strategic Housing Land Availability Assessment) indicating only 40.1% on brownfield sites and 59.9% on non-Brownfield, for the potential 11,555 houses available.
- 17. Sunderland has inappropriately used housing densities at <30homes/hectare. This is inefficient land use and means that houses would be more expensive than they need be. i.e they have excluded the issue of affordability. <30homes/hectare is equivalent to >£500,000 house prices ie unaffordable. This is also inefficient use of high value Green field/ Green belt.
- 18. There is no historic evidence that affordable housing in Sunderland has been achieved and using this density (<30/ha) there is no indication it will be, especially as Sunderland's aspiration only includes 15% affordable housing. Affordable starts and completions average 300/annum 2015-2018 against a total of 872 per/annum 2015-2018. (Chart 6.1 John Blundell refers) So there is an undersupply of affordable homes, and no plan to improve this. The houses being delivered are unaffordable for the people who need them.</p>
- 19. Sunderland's brownfield register of 170.29 ha could accommodate more than the 4,633 houses claimed this figure uses a density of 27.21 houses/ha this is inefficient urban land use, and goes against guidance in 2012 NPPF80 and 2018NPPF134 that prioritises brownfield land use to encourage regeneration, and to avoid urban sprawl. Normal urban housing densities can achieve 6,812 houses at 40units/hectare. If the land on the Brownfield register were used Sunderland could achieve well above the Government target of 5,044 (5,288 Standard method) without any need to use Greenfield/Belt.
- 20. Flatlining house prices indicate no stress on the market supply of houses and therefore there is no justification for Sunderland to have such a huge aspiration.
- 21. So there is no justification that people taking up the projected 7,200 jobs would require houses at all, much less 13,410 houses. There are around 7,600 unemployed in Sunderland, many with the same skills sets as the 7,200 Sunderland wants to import. There is no evidence that people move homes to live in Sunderland. Most historic job increases have been filled by residents, and less out-more in commuting. Rather than focus on housing for imported workers priority should be to the 7,600 unemployed (average unemployed 2004-2018 11,570) who already have houses.

In a snapshot period 2014-2018, 26,000 jobs were filled with 9,800 re-employed people who already lived in Sunderland, and 12,800 more Sunderland residents were newly employed, aswell as 13,200 less out-more in commuting.

- 23 Office for National Statistics Annual Population Survey(APS) Residents, Workplace.

The APS indicates the 7,200 jobs aspiration is over ambitious. The APS Residents/Workplace Survey trendline 2008-2015 - 2015-2033 suggests this is overestimated by 4,550. However both APS Resident, and APS Workplace data shows such large swings (volatility) that it restricts any realistic projections as to future outcome.

Most actual new jobs are predicted to be filled, as in the past, by the re-employed, residents, and in less outmore in commuting, with little imported workforce moving homes to the LA. (Chart 9.4 John Blundell)

- 24. Excessive housing for imported workforce is historically not required as residents and commuters fill the jobs. Rises in unemployment result in fewer in-commuters. Job gains and falls in unemployment are a result of more re-employment, less out and more in commuters. There is disparity between aspiration and trends so this should not be used to justify interventions policies.
- 25. Sunderland has an excessive housing aspiration. There is no indication that jobs are filled by imported workers at all. The ONS Annual Population Survey Employment, and ONS Components of Population change evidence few imported workers in a period of significant job creation 2014-2018.
- 26. There is a failed "Duty to Cooperate" throughout the 12 North East Authorities as a full Housing Market Assessment aspiration of 158,155 is 86% more than 84,743 the Standard Method would produce. The 12 North East Authorities aspiration of 158,155 is 102% more than Government demographic need 78,382. (John Blundell Table12.1,2).

Uodate; The full HMA NE12 LAs housing aspiration as 86.63% more than the Standard method, and 101.78% more than for CLG2016 housing demographic need as double counting was not presented or made known by Sunderland City Council at consultation. Table12.2

2016-2036	Preferred Option		CLG2016 demographic Need			
NER12LAs	Preferred	2016+AR		/annum	Disparity	%
2016-2026	79078	44737	41364	4136	37714	91.18%
2026-2036	79078	40006	37018	3702	42060	113.62%
2016-2036	158155	84743	78382	7838	79773	101.78%

Source ONS Tabel John Bkundell

- 27. Sunderland's Preferred Option of 13,410 is 165.86% more than CLG2016 Housing projections of 5,044.
- 28. This amounts to Core Strategy polices that create self-inflicted excessive housing requirement to then attempt to delete Green Belt without the stringent necessity of providing valid evidence to prove "exceptional circumstances". This is contrary to NPPF and CLG2016 Housing requirement.
- 29. There is no evidence for economic intervention. The ONS2016 population change shows (minus) -5,880 people net internal migration - this includes people leaving Sunderland 2015-2033 to work in other Local Authority areas. There is also as further evidence that historically most new jobs are filled by residents, the reemployed, less out and more in commuting. That goes against Sunderland's claim that 7,200 people will move into Sunderland for work. The evidence suggests that filled jobs are by people who commute rather than move home, Sunderland residents and the re-employed. (John Blundell Chart 9.4)
- 30. Sunderland is ignoring settlement breaks, the need to protect villages and greenbelt buffer zones without evidence of the need to do so.
- 31. ONS2016 Population projections were available May2016, well before any consultation. Nevertheless the Council produced a Core Strategy Draft plan 2017 which included aspirations for 13,816 houses and 10,337 jobs. That was significantly different to that submitted to MHCLG in Dec2018 at 13,410 houses and 7,200 jobs, without robust or sound justification. The 10,337 jobs aspiration in Draft 2017 became 7,200 jobs in Dec 2018 -43% less, but the housing aspiration remained virtually the same.