
Shaping Elmbridge A New Local Plan



Establishing Local Housing Need

May 2022



Elmbridge

Borough Council

... bridging the communities ...



Contents

1. Introduction	3
Purpose of this paper.....	3
2. Policy Context.....	4
National policy & guidance	4
3. The borough’s changing housing need	8
Changes in national policy & our housing need figure	8
4. Elmbridge’s local housing need	15
The standard method.....	15
5. Exceptional Circumstances	18
What are exceptional circumstances?	18
6. Conclusion	33
The use of the standard method	33

1 Introduction

Purpose of this paper

- 1.1 This paper is one in a series of papers that set out the rationale and background to the spatial strategy and other policy directions for the borough as set out in the draft Elmbridge Local Plan 2021 to 2037. This paper covers the issue of housing and the basis for the local housing need figure for the borough as set through the Government's [standard method](#).
- 1.2 The purpose of the paper is to explain how the local housing need figure for the borough has been established including, national planning policy and guidance that directs this issue, in addition to information; evidence and feedback that have informed the choices made in regard to following the approach of the standard method.
- 1.3 This paper was first produced in May 2021, to support Councillors in their consideration of the borough's housing requirement and what the starting point for this should be. Since then, the Government has published a revised National Planning Policy Framework (NPPF) (July 2021) and the borough's local housing need as calculated by the standard method changed. As such, the Council has updated the paper insofar as these two points. All other references to data e.g. other local plans, is set at March 2021.

2 Policy Context

National policy & guidance

- 2.1 The [National Planning Policy Framework \(NPPF\)](#) was revised by the Government on 20 July 2021. It sets out the Government's planning policies for England and how these should be applied. It provides a framework within which locally prepared plans for housing and other development should be produced.
- 2.2 As required by the NPPF (paragraph 11) the council is required to prepare a Local Plan that positively seeks opportunities to meet the development needs of the area, and that the strategic policies within the plan should, as a minimum, provide for objectively assessed needs for housing, as well as needs that cannot be met within neighbouring areas.
- 2.3 The need to plan for our development needs is set within the context of the Government's objective of seeking to significantly boost the supply of homes (paragraph 60 of the NPPF).
- 2.4 In regard to housing need, the NPPF (paragraph 61) states that to determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in [national planning guidance](#). It continues that only in **exceptional circumstance** would an alternative approach which also reflects current and future demographic trends and markets signals, be justified. In addition to the local housing need figure, the NPPF also requires that any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.
- 2.5 Applying the standard method (2021) the local housing need for Elmbridge is 647 dwellings per annum (9,705 dwellings over a 15-year period). Full details of how the figure is calculated are set out in Section 3 of this paper.

The relationship between local housing need and the Local Plan housing requirement

- 2.6 In regard to the standard method and its relationship with the housing target for the borough (as determined by the Local Plan process), it is important to understand that there is a clear distinction.
- 2.7 Paragraph 66 of the NPPF states that a local authority should establish a housing requirement figure for their whole area, which shows the extent to

which their own housing need figure can be met over the plan period, as well as any additional needs that cannot be within neighbouring areas.

- 2.8 As set out in [Planning Practice Guidance](#) (hereon referred to as 'Guidance') it is also stated that:

“Housing need is an unconstrained assessment of the number of homes needed in an area. Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this such as site allocations...” (paragraph: 001 Reference ID: 2a-001-20190220).

and,

“The National Planning Policy Framework expects strategic policy-making authorities to follow the standard method in this guidance for assessing local housing need. 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. The standard method set out below identifies a minimum annual housing need figure. It does not produce a housing requirement figure”. (paragraph: 001 Reference ID: 2a-002-20190220).

- 2.9 The Government has therefore made it clear both in the NPPF and Guidance that the local housing need figure as calculated by the standard method is not automatically transposed into a Local Plan to be the housing requirement for the authority. Government recognises that there are constraints to meeting needs and sets out in Guidance whether or not plan-makers should override constraints such as Green Belt, when carrying out the assessment (land availability) to meet identified need. Guidance states:

“Plan-making bodies should consider constraints when assessing the suitability, availability and achievability of sites and broad locations. For example, assessments should reflect the policies in footnote 6 of the National Planning Policy Framework, which sets out the areas where the Framework would provide strong reasons for restricting the overall scale, type or distribution of development in the plan areas (such as Green Bet and other protected areas)”. (paragraph: 002 Reference ID: 3-002-20190772).

An alternative approach to establishing local housing need

- 2.10 In support of paragraph 61 of the NPPF and Government's expectation that Local Planning Authorities (LPAs) would use the standard method to establish the local housing need figure for their area is Guidance (Paragraph: 002 Reference ID: 2a-002-20190220). The Guidance also reiterates that the use of the standard method is not mandatory and that an alternative approach could be applied only in exceptional circumstances. Nevertheless, it is stated (Paragraph: 003 Reference ID: 2a-003-20190220) that LPAs can expect the application of an alternative approach to be scrutinised more closely at examination.
- 2.11 Guidance does not set out what is considered to constitute the exceptional circumstances whereby an alternative approach to calculating local housing need can be applied. However, it does set out situations whereby an alternative might be considered appropriate.
- 2.12 Principally, this applies in circumstances where it is appropriate to consider whether actual housing need is **higher** than the standard method indicates. Circumstances where this may be appropriate are set out in Guidance to include (but are not limited to), situations where increases in housing need are likely to exceed past trends because of:
- Growth strategies for the area that are likely to be deliverable, for example, where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
 - Strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
 - An authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.
- 2.13 Guidance also references the need to consider whether assessment of previous levels of housing delivery in an area or needs assessment (such as a Strategic Housing Market Assessment (SHMA)) indicate a higher level of local housing need is required than the standard method.
- 2.14 Turning back to the use of an alternative model for assessing local housing need, Guidance sets out instances whereby this might be considered acceptable. This includes in the preparation of joint-plans and where Local Authorities have re-organised. In each of these circumstances however, it is clear that the expectation is that the standard method will feature in those calculation. The only deviation from the standard method that Guidance is clear on, is where strategic policy-making authority boundaries do not align with local authority boundaries or where data is not available. Examples of

where this might be applicable are given as National Parks and the Broads Authority.

3 The borough's changing housing need

Changes in national policy & our housing need figure

- 3.1 As set out in Section 2 of this paper, the Local Housing Need for Elmbridge as derived using the standard method is 647 dwellings per annum (9,705 dwellings over a 15-year period). Using the steps within the standard method, the full details of the calculation and the current local housing need figure for the borough are set out in Section 4.
- 3.2 It is important to note however, that this figure is not 'fixed' and that throughout the preparation of the draft Local Plan this figure has evolved. Throughout the early stages of the preparation of the draft Local Plan, various housing need figures have been referred to at the Regulation 18 Stages (2016/17, 2019 and 2020).
- 3.3 The following sub-sections set out in detail how the assessment of housing need has evolved from 2012 including, the resultant local housing need figures for the borough.

Objectively Assessed Housing Need & Strategic Housing Market Assessments

- 3.4 When the council first embarked on preparing a new Local Plan, the standard method was not in place. Rather, the NPPF as published in 2012 required LPAs to undertake an assessment of their Objectively Assessed Housing Need (OAHN) informed by the preparation of a Strategic Housing Market Assessment (SHMA).
- 3.5 The purpose of a SHMA was to develop a clear understanding of housing needs in an area, with neighbouring planning authorities working together where Housing Market Areas (HMAs) crossed their boundaries. The SHMA was required to provide a full assessment of the need for both market housing and affordable housing, which would provide the basis for local plan policies relating to future housing supply and to the proportion of affordable housing in new developments. Where it was not practicable to meet need, local authorities were required to work in partnership with neighbouring authorities to ensure that their need was met elsewhere. This requirement replaced strategic planning for housing left by the abolition in 2010 of the system of Regional Spatial Strategies, except in London where the London Plan fulfilled this function.
- 3.6 Online Planning Practice Guidance ('Guidance') followed the publication of the

first NPPF (2012) in 2014, replacing previous published guidance (Planning Practice Guidance (PPGs) and Planning Practice Statements (PPSs)). The new Guidance was intended to be lighter touch. It specified that an SHMA should cover the relevant Housing Market Area (HMA), 'a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work'. HMA boundaries were not set by the government or in Guidance, so their identification formed an important part of any SHMA.

- 3.7 The SHMA was required to include an OAHN based on robust evidence. The OAHN was not to take account of constraints such as land availability, as these would be addressed when developing policies to meet need, at a subsequent stage. SHMAs were required to be thorough but proportionate, and to build where possible on secondary information sources rather than primary surveys. LPAs were recommended to use the method set out in Guidance to calculate OAHN, with any departures fully explained and justified.

As part of its Local Plan preparation, the council prepared a SHMA alongside the Royal Borough of Kingston upon Thames and the Surrey authorities of Epsom & Ewell and Mole Valley.

For Elmbridge, the Kingston & North East Surrey SHMA, identified an OAHN of **474 dwellings per annum** over a 20-year period (2015 – 2035).

This figure formed the basis of the council's Local Plan: Strategic Options Consultation (2016/17).

- 3.8 Guidance was updated at intervals, but few changes were made to the section on housing need. However, there was a considerable volume of additional practice on Examination in Public (EiP) of Local Plans; appeals against the refusal of individual planning applications; and the development of Neighbourhood Plans. In addition, a body of case law emerged where applicants, local authorities and / or the Secretary of State sought clarification through the Courts of the definition of OAHN, and the process of its calculation.
- 3.9 As a result, by 2017, the assessment of the OAHN within an SHMA had become a complex and time-consuming process. The starting point was projected future household growth, but Guidance and EiP Inspectors' reports, and legal judgments created a series of adjustments to OAHN to take account of factors such as suppressed household formation, the contribution of housing to economic growth, the need to provide affordable housing, and the need to take account of market signals.

- 3.10 Taking 'market signals' as one example, there was no precise Guidance over the calculation of an appropriate adjustment to OAHN. Reports were prepared by practitioner groups suggesting percentage adjustments to demographic growth, but these were not necessarily supported by clear evidence, and were interpreted in different ways by local authorities, developers and planning inspectors.

The introduction of the standard method

- 3.11 The increasing concern at the cost of preparing a SHMA and the extended timetable for public examination of planning policies setting out future housing requirements, was one of the factors which led the Government to make revisions to the NPPF, published in 2018.
- 3.12 The Government considered that delays in the preparation and revision of development plans were partly caused by the complexity of the process of deriving OAHN which, had become a 'dark-art' and had a significant negative impact on the level of new supply and delivery.
- 3.13 In addition, the Government considered that some local authorities were arriving at policies for future housing provision which did not meet their needs fully, and that, in aggregate, local authority assessments did not provide for the level of housing which the Government considered was necessary (a minimum of 300,00 homes per annum across the Country).
- 3.14 To address this concern, in February 2017 the Government published a [Housing White Paper: Fixing our broken housing market](#). The Paper set out that there was a significant housing shortage and that in order to help address the housing crisis, a new standard methodology for calculating objectively assessed need would be consulted upon. Councils would be encouraged to plan on this basis.
- 3.15 The calculation to be followed as part of the standard method was first published as part of the Government's [Planning for the right homes in the right places: consultation proposals](#) (September 2017). The existing term, OAHN was not employed to describe the assessment. Rather, a calculation of 'local housing need' was referred to.
- 3.16 After consultation on the proposed standard method, a new NPPF, published in July 2018, included the requirement for local authorities to use this approach to calculate housing need in all cases, other than in exceptional circumstances. The detail of the standard methodology was set out in a subsequent amended version of Guidance in September 2018.
- 3.17 When first introduced, the standard method utilised the latest household

projections within its calculation. At this time the latest dataset was the 2014-based household projections.

- 3.18 Shortly following however, was the publication of the 2016-based household projections. These showed a slower household formation rate which led to a lower overall housing need calculation across England, including for Elmbridge Borough.
- 3.19 The NPPF was then revised again in February 2019, accompanied by a revised version of Guidance, to state that the older 2014-based projections should continue to be used. In regard to the continued use of the 2014-based projections, Guidance states that their use provides stability for planning authorities and communities, ensuring that historic under-delivery and declining affordability are reflected, and to be consistent with the Government's objective of significantly boosting the supply of homes.
- 3.20 In addition, the NPPF no longer refers to HMAs, or even to the need to carry out a SHMA. Although, it is still expected that local authorities will develop a good understanding of their local housing market or markets as the basis for developing policy.

When first published in September 2017, the standard method identified a local housing need figure of **623 dwelling per annum** for Elmbridge Borough. This equated to 9,345 dwellings across a 15-year plan period.

The need to seek to provide for 623 dwellings per annum / 9,345 dwellings across the plan-period featured as one of the options in the council's Local Plan: Options Consultation (2019).

Changes to the current planning system

- 3.21 In August 2020 the Government launched a consultation on [Changes to the current planning system](#). This consultation sets out proposals for measures to improve the effectiveness of the planning system. This included proposed amendments to the standard method including the introduction of a second affordability calculation / ratio and options.
- 3.22 In December 2020 the Government published its response to the consultation. Having taken the responses into account, the Government decided the most appropriate approach is to retain the standard method in its current form. However, in order to meet their principles of delivering more homes on brownfield land, a 35% uplift to the post-cap number generated by the

standard method to Greater London and to the local authorities which contain the largest proportion of the other 19 most populated cities and urban centres in England was applied (Step 4 of the calculation, see Section 4).

Alongside the Government's response to the Changes to the current planning system consultation, the latest standard method results were published.

For Elmbridge Borough, the local housing need figure was **633 dwellings per annum**. For a 15-year plan period (2021 – 2036) this equates to a need for 9,495 dwellings.

'Fixing' our local housing need

- 3.23 It is important to note that LPAs are regularly required to update their standard method figure. As part of the calculation, the Government publishes annually affordability ratio (Step 2 of the calculation, see Section 4) which must be factored in / re-run. Household projections which feature in Step 1 of the calculation (see Section 4) are also published biennially. Should the Government require that the latest projections be applied (as opposed to those from 2014), the calculation would again be re-run.
- 3.24 In addition to the above points, the standard method is re-run as the plan-period moves forward. For example, the local housing need figure of 633 dwellings published by the Government in December 2020, has a base date of 2020. Applying a plan-period of 2022 – 2037, it is therefore important that the council 'moves forward' the base date of the projections.
- 3.25 As such, the local housing need figure for the borough as set out in Section 4 differs from that published by Government in December 2021.
- 3.26 The need to continuously update the local housing need figure is one reason as to why it is important that the council progresses with its draft Local Plan and has this figure 'fixed' as the starting point for its Local Plan preparation. As set out by Government, the local housing need figure is only 'fixed' upon the submission of a draft Local Plan for examination.

Changes to the Planning System

- 3.27 In the Government's [White Paper: Planning for the Future](#) (August 2020) a series of proposals were set out that would seek to 'radically' reform the planning system; ensuring that it is 'fit for purpose'. The focus was on a system that is streamlined and modernised (fit for the 21st Century), with a

new focus on design and sustainability but which also ensured that more land is made available for development.

- 3.28 As part of the proposals the Government set out its intention to utilise the standard method for establishing housing requirement figures which ensure enough land is released in the areas where affordability is worst; to stop land supply being a barrier to enough homes being built. The Government stated that the housing requirement would factor in land constraints and opportunities to more effectively use land, including through densification where appropriate, to ensure that the land is identified in the most appropriate areas and housing targets are met.
- 3.29 The proposals outlined that the standard requirement would differ from the current system of local housing need in that it would be binding and so drive greater land release. It is proposed that the standard method would be a means of distributing the national housebuilding target of 300,000 new homes annually, and one million homes by the end of the Parliament, having regard to:
- the size of existing urban settlements (so that development is targeted at areas that can absorb the level of housing proposed);
 - the relative affordability of places (so that the least affordable places where historic under-supply has been most chronic take a greater share of future development)
 - the extent of land constraints in an area to ensure that the requirement figure takes into account the practical limitations that some areas might face, including the presence of designated areas of environmental and heritage value, the Green Belt and flood risk. For example, areas in National Parks are highly desirable and housing supply has not kept up with demand; however, the whole purpose of National Parks would be undermined by multiple large-scale housing developments, so a standard method should factor this in;
 - the opportunities to better use existing brownfield land for housing, including through greater densification. The requirement figure will expect these opportunities to have been utilised fully before land constraints are taken into account;
 - the need to make an allowance for land required for other (non-residential) development; and
 - inclusion of an appropriate buffer to ensure enough land is provided to account for the drop off rate between permissions and completions as well as offering sufficient choice to the market.
- 3.30 Since the publication of the White Paper the Government has published its response to the consultation as well as its [Levelling-Up White Paper](#)

(February 2022) and the [Levelling Up & Regeneration Bill](#) (May 2022). Whilst the Government continues to work on the details of regulations, policy and guidance, there have been no detailed announcements on changes to the standard method other than housing requirements are not to be made binding.

4 Elmbridge's local housing need

The standard method

- 4.1 The standard method to calculating local housing need is set out in Guidance on [housing and economic needs assessments](#). The standard method uses a formula to identify the minimum number of new homes expected to be planned for over a 10-year period. In accordance with the NPPF requiring strategic policies to look ahead over a minimum 15-year period from adopted, Guidance states that the annual number, based on a 10-year baseline, can be applied to the whole plan period.
- 4.2 The four steps of the standard method calculation are:
- Step 1 – Setting the baseline
 - Step 2 – An adjustment to take account of affordability
 - Step 3 – Capping the level of any increase
 - Step 4 – Cities and urban centres uplift

Step 1 – Setting the baseline

- 4.3 Step 1 sets the baseline using national [household growth projections \(2014-based household projections in England, table 406 unitary authorities and districts in England\)](#) for the borough. Using these projections, the council has calculated the projected average annual household growth over a 10-year period (this is 10 consecutive years, with the current year being used as the starting point from which to calculate growth over that period).

Step 1 – Setting the baseline

Estimated households in Elmbridge in:

2022: 56,822

2032: 61,440

Projected household growth calculation: $61,440 - 56,822 = 4,618$ growth over a 10-year period

Projected annual growth = **461.8** ($4,618 / 10$).

Step 2 – An adjustment to take account of affordability

- 4.4 Step 2 is the application of an adjustment factor to the annual increase in the number of households (Step 1) based on the affordability ratio of the area. The affordability ratio is defined as the ratio of median house prices to median workplace earnings. The most recent [median workplace-based affordability ratios](#), published by the Office for National Statistics at a local authority level, should be used.
- 4.5 Where the ratio is 4 or below no adjustment is applied. However, for each 1% the ratio is above 4, the average household growth baseline is increased by a quarter of a percent. Therefore, an authority with a ratio of 8 will have a 25% increase on its annual average household growth baseline. Where an adjustment is to be made, the precise formula is as follows:

$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

- 4.6 The output of Step 2 is the uncapped local housing need.

Step 2 – An adjustment to take account of affordability

Elmbridge affordability ratio = 17.32 (2021)

Adjustment factors calculation:

$$17.32 - 4 = 13.32 / 4 = 3.33 \times 0.25 = 0.8325 + 1 = 1.83$$

The adjustment factor is therefore 1.83 and is used as follows:

Minimum annual local housing need figure = (adjustment factor) x projected household growth

$$\text{Minimum annual local housing need figure} = 1.83 \times 461.8$$

The resulting figure is **845.094 (uncapped local housing need)**

Step 3 – Capping the level of any increase

- 4.7 Step 3 applies a cap which limits the increase a local authority might face, depending on the status of current policy. Where relevant strategic policies for

housing were adopted within the last 5 years (at the point of making the calculation), the local housing need figure is capped at 40% above the average annual housing requirement figure set out in the existing policies. This also applies where the relevant strategic policies have been reviewed by the authority within the 5-year period and found to not require updating.

4.8 As the council's Local Plan: Core Strategy was adopted in 2011, it is the second part of Step 3 that applies to the calculation for Elmbridge borough. Guidance states that in these circumstances (where relevant strategic policies for housing were adopted more than 5 years ago), the local housing need figure is capped at 40% whichever is the higher of:

- a) the projected household growth for the area over the 10-year period identified in Step 1: or
- b) the average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).

4.9 For Elmbridge, the figure calculated under point (a) above, is 461.8 (step 1). Our current average annual housing requirement is 225 dpa as set out in the Core Strategy (2011).

Step 3 – Capping the level of any increase

The local housing need figure is capped at 40% above the average annual housing requirement figure (Step 1) (461.8)

$$\text{Cap} = 461.8 + (40\% \times 461.8) = 461.8 + 184.72 = 646.52$$

The annual local housing need in Elmbridge is therefore 647 dwellings per annum.

Step 4 - Cities and urban centres uplift

4.10 Guidance sets out that a 35% uplift is then applied for those urban local authorities in the 20 cities and urban centres list.

4.11 Elmbridge is not on the list, therefore an 35% uplift does not apply.

5 Exceptional Circumstances

What are exceptional circumstances?

- 5.1 As set out in Section 2 of this Paper, neither the NPPF nor Guidance sets out what are considered to be exceptional circumstances allowing local authorities to apply a different method to calculating local housing need than the standard method.
- 5.2 Nevertheless, it is generally accepted that demonstrating exceptional circumstances requires the presentation of a set of factors that come together to justify diverting from the normal application of national policy and guidance.
- 5.3 Whilst the NPPF refers to exceptional circumstances, Guidance refers to exceptional local circumstances. It is therefore reasonable to consider the meaning of exceptional circumstances to be locally specific through either being uncommon across local authorities or uncommon in terms of the scale of consequences.
- 5.4 Throughout the preparation of the draft Local Plan, the council has received comments from our residents and other stakeholders stating that the standard method should not apply to Elmbridge and that there are exceptional circumstances that justify an alternative approach.
- 5.5 This Section examines those arguments put forward as potential exceptional circumstances and considers whether they are sufficiently robust to justify an alternative approach to calculating the local housing need for the borough. In addition, by looking at other local authority examples in regard to their consideration of this issue, this Section sets out whether any of the points they have considered also apply to Elmbridge.

Household Projections

2014, 2016 & 2018 based household projections

- 5.6 Through engagement with our residents and other stakeholders on the preparation of the draft Local Plan, it has been suggested that the 2014-based household projections should not be applied to Elmbridge as they are historic and increasingly unreliable given the borough's demographic profile. It has been stated that they show usually large variations in comparison to the 2018-based projections and how this plays out in regard to our local housing need figure. It has also been argued that other authorities, including the neighbouring borough of Guildford Borough Council, have used the 2016-based projections.

5.7 Table 1 below, shows the variation to the projected number of households in the borough as set out in the 2014, 2016 and 2018 projections. From the table it is clear that the 2014 projections show the largest increase in households (circ. 20% more households than the 2016 projections and circ. 45% more than the 2018 projections).

2014 projections			2016 projections			2018 projections		
2021	2031	Increase in households	2021	2031	Increase in households	2021	2031	Increase in households
56,395	60,971	4,576	55,595	59,271	3,678	55,105	57,626	2,521

Table 1: Projected increases in households in Elmbridge between 2021 and 2031 calculated using the 2014, 2016 and 2018 household projections

5.8 The council does not disagree with concerns raised by our residents and other stakeholders regarding the continued use of the 2014 household projections in the standard method calculation of housing need. The council clearly set out its objection to their continued use in response to the Government’s consultations on the proposed changes to the methodology (August 2020) and in several earlier correspondence with the Secretary of State for Communities and Local Government and our Local MPs. These correspondence are available to view on our [website](#).

5.9 Regardless of these concerns, the Government continues to apply the use of the 2014-based household projections within the standard method. Guidance states that the 2014-based household projections are used within the standard method to provide stability for planning authorities and communities, ensuring that historic under-delivery and declining affordability are reflected, and to be consistent with the Government’s objective of significantly boosting the supply of homes.

5.10 As part of the [Local Housing Needs Assessment \(LHNA\) \(2020\)](#) the council’s appointed consultants considered the use of the varying projections (2014 & 2016) in a local housing needs assessment and the impact this would have on the need figure. This information was specifically requested to allow the council the opportunity to consider whether an alternative approach could be justified.

5.11 The LHNA sets out the following local needs assessment figures:

- 474 dwellings per annum (as calculated by the SHMA using the Government’s 2012-based household projections).

- 596 dwellings per annum (on the basis of the above but adding a 20%¹ uplift to take account of market signals as suggested by the Planning Inspector in the 'Drake Park' public inquiry).
- 373 dwellings per annum (using the most up to date data sources including the 2016-based household projections).
- 448 dwellings per annum (on the basis of the above but adding a 20% uplift to take account of market signals as suggested by the Planning Inspector in the 'Drake Park' public inquiry).
- 588 dwellings per annum (on the basis of the 2014-based projections, including allowances for backlog and market signals).

5.12 All of these scenarios present a lower level of local housing need than that of the standard method (647 dwellings per annum). Nevertheless, the consultants also looked at whether there was justification for the use of alternative projections. They concluded: *“whilst a case can be made that both the 2014-based MHCLG household projections and the more recent 2016-based ONS household projections diverge from the picture of static population since 2016 revealed by mid-year estimates, a longer period is needed to assess whether this is a firm trend. **There are thus no exceptional circumstances for diverging from the requirement in NPPF and PPG to use the 2014 based projections**”*.

5.13 Furthermore, in terms of the meaning of exceptional circumstances, it is important to turn back to whether the divergence in the projections is locally specific through either being uncommon across local authorities or uncommon in terms of the scale of consequences.

5.14 Building on the comparison of the 2014, 2016 and 2018 household projections for Elmbridge, Table 2 provides the data for all authorities in Surrey and for the adjoining London Boroughs – Royal Borough of Kingston upon Thames and the London Borough of Richmond.

¹ It is also important to note that the 20% uplift is only being used as an example upon the basis of the recommendation of the Planning Inspector in the Drake Park appeal. It is highly likely that this figure would be challenged by site promoters and their advocates given the levels of affordability and affordable housing need in the borough.

Local Authority	2014 projections			2016 projections			2018 projections		
	2021	2031	Increase in households	2021	2031	Increase in households	2021	2031	Increase in households
Elmbridge	56,395	60,971	4,576	55,595	59,271	3,676	55,105	57,626	2,521
Epsom and Ewell	33,845	37,967	4,122	32,034	34,786	2,752	31,513	33,087	1,574
Guildford	60,625	65,755	5,130	57,397	60,677	3,280	56,149	57,136	987
Mole Valley	38,495	41,754	3,259	37,761	40,084	2,323	37,298	38,718	1,420
Reigate and Banstead	63,820	71,917	8,097	60,465	65,899	5,434	59,848	64,009	4,161
Runnymede	36,996	40,896	3,900	35,423	37,949	2,526	34,904	35,979	1,075
Spelthorne	43,510	47,875	4,365	40,913	43,402	2,489	40,200	41,308	1,108
Surrey Heath	36,259	38,593	2,334	35,218	36,990	1,772	34,732	35,419	687
Tandridge	37,825	42,426	4,601	36,533	39,848	3,315	35,942	37,966	2,024
Waverley	52,569	56,492	3,923	51,089	53,614	2,525	51,013	53,003	1,990
Woking	41,908	45,001	3,093	40,056	42,159	2,103	39,333	40,107	774
Kingston upon Thames	75,616	86,393	10,777	70,507	78,127	7,620	69,011	74,024	5,013
Richmond upon Thames	91,198	103,103	11,905	84,842	92,303	7,461	83,855	89,948	6,093

Table 2 - Projected increases in households across Surrey Authorities and the two neighbouring London Boroughs between 2021 and 2031 calculated using the 2014, 2016 and 2018 household projections

- 5.15 As set out in paragraph 5.7, for Elmbridge the 2014 projections show the largest increase in households (circ. 20% more households than the 2016 projections and circ. 45% more than the 2018 projections). This trend continues for all Surrey authorities and the two London Boroughs. The average variance between the 2014 and 2016 projections is a 32%, the highest variation in Spelthorne i.e. the 2014 household projections show a 43% increase in households above those of the 2016 projections. The lowest variation between the 2014 and 2016 projections is in Elmbridge (20%).
- 5.16 In terms of the 2014 and 2018 projections, the average variance is 61%, the highest variation in Guildford i.e. the 2014 household projections show an 81% increase in households above the 2014 projections. The lowest variation between the 2014 and 2018 projections is in Elmbridge (45%).
- 5.17 Based on Table 2 and this analysis it is not considered that the difference in the 2014, 2016 and 2018 households is locally specific to Elmbridge. It is clear that the variance in the projections applies to several local authorities and, in those local authorities in Surrey and the two London Boroughs, the variation is higher e.g. the scale of the consequences is higher, than in Elmbridge.
- 5.18 Taking the point of the scale of the consequences further, Elmbridge is also not uncommon in being unable to meet the local housing need figure across the plan period within the existing settlement areas. Guildford; Reigate & Banstead; Runnymede; Tandridge; Waverley and Woking Borough / District Councils have all look to land within the Green Belt to meet development need. In addition, the remaining Surrey authorities either have, or are likely to need to, consider the option of Green Belt as part of their Local Plan preparation.

Greater London Authority (GLA) projections

- 5.19 During the preparation of the draft Local Plan and as part of the duty-to-cooperate, the council has engaged with the Greater London Authority (GLA) over the use of their household and population projections. As part of Elmbridge's Regulation 18 consultations, the GLA has stated that these could be applied to Elmbridge borough offering an alternative approach to the standard method; an approach that the GLA has successfully applied to the London Plan.
- 5.20 As part of the LHNA (2020), the council's consultants explored the possibility of applying the GLA projections. It was noted that to utilise the projections there were two parts to the process with, the GLA providing part 2. The first part of the GLA model is looking at backlog utilising at least 3-years' worth of data from the English Household Survey (EHS).

- 5.21 Data from the EHS is provided at a regional level. The GLA is therefore able to utilise this information for London; spreading the back-log across the Capital. However, in regard to Elmbridge, the consultants would need to take the South East region figures and apportion these i.e. redistributing the back-log across the South East.
- 5.22 The apportionment of back-log across the South East creates several issues. Firstly, that the South East is no longer covered by regional planning; the council is not afforded the opportunity of redistributing under delivery across local authorities in the South East as part of a higher-level planning strategy. Therefore, for this approach to work, as part of the Duty to Cooperate, the council would need to explore whether all other Local Authorities are meeting the 'calculated back-log'. This would be in addition to whether they are meeting future need. This could result in a higher / lower figure for some Local Authorities than that of the standard method.
- 5.23 In addition, there is no set methodology for apportioning back-log; the consultants would need to devise a method and apply this across the South East which could vary considerably taking into account different variable e.g. constraints to delivery; growth areas; meeting back-log where it arises.
- 5.24 At the Examination of the draft Local Plan, the council would therefore need to justify and defend the principle of the approach, the methodology; and its deliverability. Exploring this option and considering the risks / implications of this approach, the council does not consider it to be a credible option.

The approach of other Local Authorities

- 5.25 In regard to other authorities undertaking their own needs assessment / using the 2016 population projections, the council is unaware of any authority that has deviated from the standard method that did not submit their plan under the 'transitional arrangements' (which ended on 24 January 2019) or whereby they are a National Park / Broad Authority or covered by the London Plan and had their plan found sound.
- 5.26 Between 24 January 2019 and 1 March 2021, 38 Local Plans covering strategic issues have been submitted for examination. Of these:
- 8 were for London Boroughs - covered by the London Plan which redistributes housing back-log/need;
 - 4 for National Park / Broad Authorities – whereby Guidance permits an alternative to the standard method; and
 - 1 was a partial review.

5.27 Of the remaining 25 Local Plans, only 6 have been found sound (as at 1 March 2021). These are:

- Chesterfield Borough Council
- Durham City Council
- Isles of Scilly Council
- Oxford City Council
- South Oxfordshire District Council
- Suffolk Coastal District Council

5.28 In the case of the Isle of Scilly; Oxford City Council; and South Oxfordshire District Council, all planned for a higher housing number than set out in the standard method. In accordance with the NPPF and Guidance, these authorities chose to use their SHMA to set higher housing targets. In the case of the City of Oxford, this was largely driven the high need for affordable housing (678 dwellings per annum (dpa) of the 1,400 dpa).

5.29 In the case of Durham City Council, they submitted their Local Plan in accordance with the standard method whereas through the Modifications Consultation, both Chesterfield Borough and East Suffolk were required to amend their housing needs figures in accordance with the standard method and the use of the 2014 projections. In the case of [Suffolk Coastal the Inspector stated in the report:](#)

“Whilst some representors have argued that the Council should have employed an alternative method to determine the minimum number of homes and have disputed, amongst other things, future job growth forecasts, I have not been convinced that there are exceptional circumstances to justify deviation away from the standard method for this Plan” (paragraph 52).

5.30 In light of the above, the council does not consider that exceptional circumstance exist which would justify the use of the 2016 or 2018 household projections and the move away from the standard method. The council considers that if it were to pursue this approach, this would be at significant risk to the soundness of the plan.

The affordability adjustment

5.31 Through engagement with our residents and other stakeholders on the preparation of the draft Local Plan, it has been suggested that the affordability adjustment (Step 2) has no relationship with the housing market within Elmbridge and therefore is considered as an exceptional circumstance to allow an alternative approach to calculating local housing need.

5.32 As part of the preparation of this Paper, the council has reviewed that of Wokingham Borough Council (WBC). Published January 2020, their [Topic Paper](#) explores the relationship of house prices and the standard method. The Paper tests the role of the affordability ratio in that the over delivery of housing leads to improvements in affordability (through reduced house prices) and a lower local housing. The reserve is then stated in that, under delivery will see affordability worsen through increased house prices and a higher local housing need).

5.33 WBC's Paper references Guidance in that under the standard method it is not necessary to factor in previous under delivery in the calculation of local housing need since any such under delivery will be reflected in the affordability adjustment. Two references are made to Guidance:

"The affordability adjustment is applied to take account of past under-delivery. The standard method identifies the minimum uplift that will be required and therefore it is not a requirement to specifically address under-delivery separately." (paragraph: [011 Reference ID: 2a-011-20190220](#))

"Where the standard method for assessing local housing, need is used as the starting point in forming the planned requirement for housing, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure." (paragraph: [031 Reference ID: 68-031-20190722](#))

5.34 WBC's Paper proceeds to set out their level of housing delivery over 3 reporting years and house price date (sold and number of transactions) from HM Land Registry for January 2014 and July 2019. The conclusion of their evidence is that there is a market premium placed on the price of new homes when compared to the equivalent older house and that the number of new homes built, even when above local housing need, does not reduce affordability issues.

5.35 The council has undertaken a similar exercise with the data set out below. Table 3 shows the number of net additional homes completed in the borough over the last seven reporting years (2014/15 – 2020/21) alongside the annual variance against the standard method and affordability ratio. Table 4 sets out data from the Land Registry showing sales volumes and prices paid for all, new and existing semi-detached properties in the borough over the last seven reporting years.

5.36 Similar to WBC, Table 4 shows that there is a premium for new build properties in the borough; approximately 25% increase in price. With the exception of

2016/17 (where there were no new semi-detached properties sold / recorded), the price paid data is consistency higher for new build properties that the existing housing stock.

Reporting period	No. of net completions	Variation against the local housing need (641)	Affordability Ratio
2014/15	273	-368	14.28
2015/16	240	-401	14.81
2016/17	267	-374	15.26
2017/18	231	-410	16.53
2018/19	353	-288	15.83
2019/20	396	-245	15.86
2020/21	294	-347	16.38

Table 3: Net additional homes completed in the borough per annum between 2014/15 and 2020/21 alongside the annual variance against the standard method and affordability ratio

	Overall (£)	Sales	New Build (£)	Sales	Existing (£)	Sales
2014/15	581,539	563	1,017,086	21	564,663	542
2015/16	630,211	636	798,776	19	625,921	617
2016/17	668,711	470	N/A	0	668,711	470
2017/18	676,235	501	987,500	2	674,988	499
2018/19	673,159	509	888,688	16	666,164	493
2019/20	660,672	546	794,840	25	654,235	521
2020/21	689,996	434	738,750	2	689,542	430

Table 4: Sales volumes and prices paid for all, new and existing semi-detached properties in the borough over the last seven reporting years (2014/15 – 2020/21)

5.37 Unlike WBC however, the council over the last seven reporting years has never delivered a net increase in dwellings per annum above the standard method figure (see Table 3). The council is therefore unable to draw the same comparison so easily.

5.38 Nevertheless, the council agrees with the principle of the point being made by WBC and was strongly made by the council in response to the Government's Planning for the right homes in the right places consultation (September 2017). Within the council's response it was clearly stated that it had been incorrectly assumed (by the Government) via an unproven / outdated causality that simply boosting housing supply will improve affordability in the market.

5.39 The council quoted research prepared for the Government by the University of Reading that stated: *'it may be difficult, or impossible, to achieve affordability targets at sub-regional levels. This is because local authorities, for example,*

may be close substitutes in terms of location for many households, so that increasing construction in a small number of areas generates strong population inflows, offsetting any improvement in affordability' (Meen, 2011, page 17)².

- 5.40 The council's response to the consultation also highlighted that the University of Reading research noted that, even at regional level, increases in construction produce only modest improvements in affordability and would need to be long-lasting. For an increase in housing supply to reduce prices, there would thus need to be a large uplift in supply rates across London and the South East. However, the required level of supply is unlikely to be realistic given land constraints.
- 5.41 Despite the objections of the council and other local authorities to the Government's use of affordability ratios in the standard method, their application in Step 2 still applies. The council therefore considers it extremely unlikely the lack of relationship between the number of homes built and the affordability ratio would be accepted as an exceptional circumstance to deviate from the standard method. Furthermore, as the evidence from the University of Reading goes some way to demonstrating (with reference to the South East), the lack of relationship between these two factors is neither uncommon nor locally specific to Elmbridge.
- 5.42 In addition, the council is mindful that if it were to pursue an alternative approach to assessing housing need, the NPPF and Guidance both make clear that any alternative calculation must reflect current and future demographic trends and market signals. The application of an uplift to reflect market signals is intrinsically linked to affordability. With Elmbridge having the 10th highest affordability ratio (16.38 in 2020) it is extremely likely that an uplift of some significance would be applied. For example, at the Land East of Weylands House and Molesey Road and south of Field Common Lane, Walton-on-Thames, Surrey (Application ref: 2016/2217) appeal, it was considered by the Planning Inspector that an addition of 20% was appropriate. The appellants' advocated for an uplift of between 40 and 64%.

Earnings and the standard method

- 5.43 As part of the preparation of this Paper and the review of the Topic Paper prepared by Wokingham Borough Council (WBC) it is noted that they explored the use of median workplace earnings in the calculation of the standard method. By using workplace earning, WBC argues that the standard method

² A long-run model of housing affordability, by Geoffrey Mean, University of Reading, School of Economics, published by the Department for Communities and Local Government, 2011. ISBN: 978 1 4098 3174 7

fails to recognise the geographical and functional relationship between their borough and key employment centres or, the nature of increasing home-working.

5.44 Exploring this issues, the same can be said of Elmbridge Borough in that a large proportion of our working residents commute into London for higher-paid jobs than those available within the borough. The table below provides information on median earnings on both a workplace-based method and a residence-based method.

Year	Workplace-based	Residence-base	Difference
2015	£33,413	£38,394	+ £4,981
2016	£34,507	£37,997	+ £3,490
2017	£34,523	£38,230	+ £3,707
2018	£36,002	£42,311	+ £5,750
2019	£36,561	£43,110	+ £6,549
2020	£36,638	£42,332	+ £5,694

Table 5: Median earnings on both a workplace-based and a residence-based method

5.45 From Table 5, it is evident from the ONS data that the earnings of people who live in Elmbridge Borough are higher than people who work in the area; demonstrating the functional cross boundary relationship between the borough and London.

5.46 WBC has made the case that the data used in the standard method (workplace-based earnings) is not reflective of place and thus is part of the exceptional circumstances case that they have put forward to deviate from the standard method.

5.47 The council does not disagree as to the lack of relationship between the data and the standard method. The council set out its objection to the application of workplace-based earnings as part of the standard method to the Government's consultations on the proposed methodology when first introduced (August 2020) and in several correspondence with the Secretary of State for Communities and Local Government and our Local MPs since. These correspondence are available to view on our [website](#).

5.48 Whilst the application of residence-based earnings would alter the affordability ratio and potentially reduce the local housing need figure for the borough, consideration needs to be given as to whether Elmbridge is uncommon in this situation and also in terms of the scale of the consequence.

5.49 As set out above, WBC is in the same situation as Elmbridge in regard to

median residence-base earnings being higher than workplace-based earnings. As shown in Table 6, this is a similar situation for eight of the other authorities in Surrey and the two neighbouring London Boroughs on the basis of the 2020 data.

Local Authority	Workplace-based earnings	Residence-base earnings	Difference
Elmbridge	£36,638	£42,332	+ £5,694
Epsom and Ewell	£27,905	£36,579	£5,694
Guildford	£36,862	£41,668	£8,674
Mole Valley	£35,045	£30,666	£4,806
Reigate and Banstead	£34,660	£40,229	-£4,379
Runnymede	£42,077	£37,451	£5,569
Spelthorne	£32,323	£34,645	-£4,626
Surrey Heath	£38,985	£39,675	£2,322
Tandridge	£31,558	£37,478	£690
Waverley	£28,802	£41,237	£5,920
Woking	£39,325	£40,708	£12,435
Kingston upon Thames	£35,279	£41,264	£1,383
Richmond upon Thames	£36,177	£50,006	£5,985

Table 6: Median earnings on both a workplace-based and a residence-based method for all Surrey Authorities and the two neighbouring London Boroughs

- 5.50 Based on Table 6 and this analysis it is not considered that the variance experienced between workplace-based earning and residence-based earnings is uncommon or locally specific to Elmbridge. It is clear that the trend applies to several local authorities, particularly those on the edge of London.
- 5.51 In light of the above, the council does not consider that the variation between workplace-based earning and residence-based earnings is an exceptional circumstances that justifies a move away from the standard method. The council considers that if it were to pursue this approach, this would be at significant risk to the soundness of the plan.

Statutory Duty to Cooperate with other boroughs has not been carried out robustly

- 5.52 Through engagement with our residents and other stakeholders on the preparation of the draft Local Plan, attention has been drawn to Guildford Borough Council and the claim made that the council has failed to engage with them robustly to secure the oversupply (between their housing need and allocations) and, any allowance to meeting our own housing need from the garden village development at the Former Wisley Airfield site (located in

Guildford Borough).

- 5.53 In regard to the allocation at Wisley the council did raise through Guildford's Local Plan consultation that, given the proximity to the Borough boundary, any future development would be meeting the development needs of Elmbridge and not necessarily that of Guildford or their wider Housing Market Area (HMA) which includes Waverley and Woking Boroughs. Unfortunately, these objections were not agreed with and the site has been allocated with no 'allowance' for the development being attributed to meeting the housing needs of Elmbridge.
- 5.54 In terms of the Duty to Cooperate, the council has worked tirelessly with other neighbouring authorities, exploring whether the housing needs of Elmbridge could be met by other LPAs. For example, in the 2016/17 Options Consultation, the council stated that if it could not meet its housing needs in full then it would look to other neighbouring authorities as part of the Duty.
- 5.55 Focusing on Guildford, in a joint response with Waverley and Woking Borough Councils, concern was raised as to Elmbridge's unmet need. It was stated that there was also unmet need within the West Surrey HMA of Guildford, Waverley and Woking and that should any surplus arise within that area, it was expected that this would contribute towards that need rather than addressing needs arising from Elmbridge. Evidently, in accordance with the NPPF (at the time) this is what occurred. The surplus land supply available in Guildford and Waverley was allocated to Woking to help meet their unmet need as part of their Examination processes.
- 5.56 The council has continued to pursue the Duty as an option to meeting the local housing needs of Elmbridge. For example, in January 2020 the council wrote to all LPAs in the South East requesting a response as to whether they could assist in meeting our unmet need (the amount that could not be accommodated in the urban areas). No LPA responded stating that they could assist. The responses were fairly firm in that if other LPAs were being required to look at their Green Belt boundaries to accommodate their own housing need, why shouldn't Elmbridge and why should other LPAs amend their boundaries further to assist us.
- 5.57 This is the difficulty with the Duty in that firstly it is not a Duty to agree i.e. no LPA has to take our unmet need unless it is either agreed between authorities or there is a requirement of the Planning Inspector as part of the Examination process, and secondly, it removes the role of strategic planning and the allowance for redistributions.
- 5.58 Unfortunately, the Duty is not the solution to unmet need; and is now being

reconsidered by the Government as part of its planning reforms - [White Paper: Planning for the Future \(August 2020\)](#).

5.59 Concluding this point, the council disagrees with the statement that it has failed in its Duty. This will of course be tested at the Examination of the Plan. Nevertheless, even if it had failed its Duty, this would not amount to an exceptional circumstance to justify an alternative to the standard method. Rather, this would result in the Plan not being found to be legally compliant and therefore not proceeding to the hearing sessions into the soundness of the Plan. If the council were to pursue this approach, this would be at a significant risk to the soundness of the plan.

Development of settlements will be unsustainable

5.60 Through engagement with our residents and other stakeholders on the preparation of the draft Local Plan, it has been stated that to build the number of homes by the standard method would be unsustainable, thus contrary to the NPPF; destroying the character of the borough. It is stated that this also runs contrary to the new draft National Design Codes.

5.61 As set out in Section 2 of this Paper, the constraints to meeting the standard method figure / local housing needs of the borough, is the second step in terms of setting the housing target / requirement for the borough. The needs assessment is 'constraints-off' and therefore this point cannot be considered as an exceptional circumstance to justify an alternative method.

5.62 Whether or not it is sustainable to build a minimum of 641 dwellings per annum in the borough, has been considered as part of the wider evidence base and in the formation of the development strategy for the borough as set out in the draft Local Plan.

5.63 In light of the above, the council does not therefore consider that the point that the development of settlements would be unsustainable amounts to an exceptional circumstance to deviate away from the standard method. If the council were to pursue this approach, this would be at a significant risk to the soundness of the plan.

Affordable housing need will not be met

5.64 Through engagement with our residents and other stakeholders on the preparation of the draft Local Plan, it has been advanced that the affordable housing need of Elmbridge will not be met through a higher housing target assumed through the standard method. It is stated that land prices will continue to be driven upwards which will impact on viability. Reference is also made to how a higher housing target would rely on small sites on which the collection of

development contributions would remain even more difficult. It is stated that an exceptional bespoke solution to affordable housing is needed for Elmbridge.

- 5.65 Given the high level of affordable housing need within the borough and increasing issues relating to affordability, it is unlikely that the affordable housing needs of the borough will be met regardless of the housing target. As recognised by our communities, housing delivery is currently via the reliance of small sites where developers often cite viability issues. Furthermore, the Government's policy of not permitting affordable housing contributions (both on-site and financial) to be sought on small sites (of 10 or fewer dwellings) is making it increasingly challenging to provide the type of housing needed in the borough.
- 5.66 Nevertheless, in terms of meeting our affordable housing need, one of the biggest opportunities the council has to do this is through the development of larger sites which, it would be required to consider as part of the options for meeting the standard method figure given that this cannot be met solely within the existing urban areas. Through the delivery of large sites, the council is more likely to see the delivery of affordable housing on-site and at a higher percentage of all units proposed than on smaller sites.
- 5.67 Furthermore, with reference to Oxford City Council, they used the issues of affordability and the need for more affordable homes to go beyond the housing figure set out in the standard method. Rather than providing either 764 dpa (capped) or 810 dpa (uncapped) as required by the standard method, they went with a target of 1,400 dpa in recognition that a higher housing target would be required to deliver the level of affordable housing needed.
- 5.68 In addition, the need for affordable homes within the borough is not uncommon amongst neighbouring Surrey Authorities or London Boroughs. In light of this, the council does not consider this to be an exceptional circumstance which would justify the council for deviating from the standard method. Rather, the need for affordable housing within the borough and the limited opportunities to deliver this type of homes within the urban areas, is a driver of higher housing number

6 Conclusion

The use of the standard method

- 6.1 Throughout the preparation of the draft Local Plan the council has reflected on the Government's changes to the way in which the Local Housing Need figure is calculated; exploring the implications of these changes in the context of the borough and its emerging Local Plan and whether there are the exceptional circumstances that justify an alternative approach to the standard method.
- 6.2 It has been the focus of this Paper to set out the council's consideration of this matter with reference to the points raised by our local residents and other stakeholders and on review of the case made by other Local Planning Authorities in seeking to justify an alternative approach.
- 6.3 As set out in Section 5 of this Paper, the council does not necessarily disagree with some of the points made. For example, that the 2014 household projections are out of date and the lack of relationship between housing delivery and the affordability ratio.
- 6.4 Nevertheless, whilst the council may not agree with elements of the standard method, this does not necessitate that exceptional circumstances exist nor that those matters advanced are either uncommon across local authorities or uncommon in terms of the scale of consequences.
- 6.5 The council considers that if it were to pursue an alternative method, this would be at significant risk to the soundness of the draft Local Plan. As such, for the purpose of seeking to meet the Local Housing Need of the borough and in the preparation of the draft Local Plan, the council has used the standard method figure of 641 dwellings per annum as its basis.
- 6.6 However, as set out in Section 2 of the Paper it is important to remember that the Local Housing Need figure is not automatically transposed into a Local Plan to be the housing target / requirement for the authority. Government recognises that there are constraints to meeting needs and sets out in Guidance whether or not plan-makers should override constraints such as Green Belt, when carrying out the assessment (land availability) to meet identified need.
- 6.7 Whether or not the council can meet the Local Housing Need is set out in the draft Local Plan; informed by an extensive evidence base and the consideration of and balancing of the requirements of the NPPF and Guidance alongside our cooperate objectives and responses to previous

Local Plan consultations.