

## BASINGSTOKE & DEANE LOCAL PLAN EXAMINATION

### MF08: OBJECTIVELY ASSESSED HOUSING NEED

1. The inspector has invited comments from interested parties on the Council's response to questions he has posed on the objectively assessed housing need of the district (OAN).

#### (i) Internal and international migration

2. The Council clarifies that using trends from the past ten years, but applying the 2012-based DCLG Household Projection representative rates, will indicate a need for 834 dwellings per annum (dpa). This is the PG-10yr scenario in the Edge Analytics Report of April 2015 – the report produced to support the SHMA. This is illustrated in figure 5 of the report on page 21.
3. The HBF remains unconvinced that a past 10 year trend for internal and international migration provides a credible forecast of the housing needs for the district for the period 2011 to 2029.
4. The HBF considers that the official DCLG 2012 Household Projection which is underpinned by the 2012-based SNPP released in February/March 2015 provides the most authoritative projection of housing need to date. The Edge Analytics Report refers to this in paragraph 2.17. It shows that this would indicate a need for 936 dpa (see figure 5, page 21).
5. We are concerned that scenario modelling using different internal and international migration assumptions based on historical evidence (the PG scenarios - see paragraph 3.6 of the Edge report) is being given greater weight than the official projections. This is because these will result in lower estimations of need than the official projection. As the report observes in paragraph 4.6:

*“Compared to the SNPP-2012 benchmark, the PG-10yr-5yr and PG-10yr trend scenarios suggest a lower rate of population growth (+16.7% and +17.6% respectively) in combination with lower net migration (+579 and +621 per year).”*

Paragraph 4.8 continues:

*“All three PG scenarios suggest lower household and dwelling growth than the SNPP-2012 scenario.”*

6. Why would migration trends from the last 10 years prove more robust than the projections provided by the ONS and DCLG? The Council's justification for using these PG scenarios is weak. As paragraph 6.10 of the SHMA Update May 2010 states:

*“the variations between the projections are particularly influenced by assumptions on future levels of migration to and from the borough.”*

7. The Council describes in paragraph 6.11 why it favours a longer timeframe for internal migration. This is because of the ‘*prevailing economic conditions*’. As discussed at the hearing, this is deceptively positive – appearing to take account of the possibility of suppression during the recession – but in fact results in a much lower household projection than the official projection.
8. It is important to bear in mind that Basingstoke & Deane is less constrained by landscape and environmental designations than most other counties and districts closer to London. In the post-war period the borough has traditionally provided a source of relatively more affordable accommodation for households compared to other locations closer to London. Evidence of large undersupplies in other south east authorities is mounting. Crawley, Brighton & Hove, Lewes, Hastings, Woking, Wealden, West Berkshire, and Gosport are examples of authorities whose plans have been examined under the auspices of the NPPF yet have been found to have large unmet needs. The weight of evidence suggests that the borough will continue to experience increased population and migration over the plan period. In addition to this there are two other factors to consider.
9. Firstly, the latest ONS 2014 population projection (released on the 29 October) is indicating an increase in the UK population. As the ONS release states:

*“The population of the UK is projected to grow to 74.28 million in 2039. This is 420,000 higher than the 2012-based projection for 2039. This is partly attributable to the base 2014 population being 86,000 higher in the 2014-based projection than in the 2012 projections.”*
10. As the ONS explains, the 2014-based population projections predict a slightly faster rate of increase than the 2012-based projections did, equating to about an extra 14,000 people per year on average over the 25 years to 2039.
11. Secondly, it is also necessary to take account of the London dimension. The London Plan is based on an assumption of increasing out-migration to the south east of England and decreasing migration into London. Coupled with this is London’s own substantial housing shortfall. The Local Plan acknowledges the borough’s close proximity to London and its excellent road and rail connections (paragraph 1.28). This connectivity will facilitate out-migration from London.
12. In view of these factors: the mounting under-supply in the south east, the latest ONS population projections, and the housing issues in London, it seems highly unlikely that Basingstoke will be subject to lower levels of population growth and migration than the projections provided by the DCLG/ONS using a

more recent timeframe. The 2012 Household Projections benefits from the best reconciliation to date of the 2011 Census data.

13. It is also important to bear in mind that the Council's OAN is purely a demographic projection based on trends. No other upward adjustments have been made to this. It is arguable, therefore, whether the Council would be providing a 'significant boost' to housing supply to help tackle the documented issues of affordability in the district (for example paragraph 1.22 of the Local Plan), or help assist with the wider UK housing crisis.
14. It is necessary that the Council plans on the basis of the latest official projections. Using the SNPP figure of 936 dpa would not alter a deteriorating affordability trend but it would at least mean that the Council would hold current trend of deteriorating housing affordability steady; i.e. this trend would not accelerate.
15. It is therefore the HBF's view that the OAN for the district is closer to 936 dpa than the other scenarios modelled. It is important to recognise that this is a conservative trend-based figure to which no other upward adjustments are made. For planning this could be rounded down to 935 dpa.

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