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Planning. Design. Economics.

**Gloucester, Cheltenham and Tewkesbury
Joint Core Strategy**

Assessment of Housing Requirements

Executive Summary

September 2012

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Contents

1.0	Introduction	2
	Policy Context.....	2
	HEaDROOM.....	3
	Local Background.....	4
2.0	The Components of Housing Need	6
3.0	Revised Assessment of Housing Need	13
	Demographic Assessment.....	14
	Economic Assessment.....	16
4.0	Moving towards the JCS	19
	Bringing the Evidence Together.....	19
	Testing the Options	21
	Moving toward a Preferred Option JCS.....	23

1.0 Introduction

- 1.1 Nathaniel Lichfield & Partners (NLP) was appointed by the Gloucester City Council, Cheltenham Borough Council and Tewkesbury Borough Council to undertake an independent assessment of housing requirements for the Joint Core Strategy (JCS) area.
- 1.2 The key purpose of this study is to provide further evidence to support the emerging JCS by:
- 1 Verifying the approach that has been undertaken to date in respect of the Local Projections and Household estimates and the translation of these figures to dwelling requirements;
 - 2 Reviewing the representations that have been made in respect of housing requirement matters and providing commentary and advice on the ways in which these might impact upon the assessment of market and affordable housing requirements;
 - 3 Demonstrating the housing requirements for the overall JCS area, at an individual local authority area level, and for the Cheltenham and Gloucester Wider Policy Areas; and,
 - 4 Providing a clear understanding of the impact of the National Planning Policy Framework (NPPF) upon housing requirements for the JCS area.

Policy Context

- 1.3 The context to this study is the continuing reform of the planning system to deliver on localism whereby responsibility for establishing housing requirement figures for Local Plans now falls to local councils.
- 1.4 The NPPF provides the policy context to the establishment of housing requirements. In seeking to “*boost significantly*” the supply of housing, it requires local planning authorities to “*use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area*”.
- 1.5 It also emphasises that local planning authorities should continue to demonstrate a 5-year housing land supply – which is to be supplemented by an additional buffer of 5% to ensure choice and competition in the market or, where there has been a record of persistent under-delivery of housing, an additional buffer of 20%.
- 1.6 The NPPF requires local planning authorities to evidence and defend their local housing requirements at examination. This highlights the importance of ensuring that the housing requirement figures that are set out within Local Plans are soundly rooted in a robust evidence base. A failure to meet this requirement is highly likely to result in a Local Plan being unsound.

HEaDROOM

- 1.7 At the present time there is no commonly agreed approach for local planning authorities to follow in setting local housing requirements, beyond the principles established in national policy. In response, NLP has developed an analytical framework (HEaDROOM) for defining the quantum of housing that should be planned for through Local Development Frameworks.
- 1.8 Launched in July 2010, HEaDROOM has been used to identify future housing requirements in 70 local authority areas for both private and public sectors clients. It makes use of the industry-leading PopGroup suite of software which was developed by the Local Government Association. This provides a robust and transparent means by which the housing implications associated with a range of inputs can be tested. These inputs include:
- 1 Fertility and mortality rates;
 - 2 Domestic and international migration trends;
 - 3 Household headship rates;
 - 4 Housing vacancy rates (including second home and holiday home ownership levels);
 - 5 Employment change; and,
 - 6 Unemployment levels and commuting patterns.
- 1.9 By flexing each of these inputs in turn, it is possible to develop a range of alternative scenarios which will have a range of implications in terms of the future housing requirements. The strengths and weaknesses of data and conclusions for each assessment basis can then be considered and balanced in order to achieve an understanding of the objectively assessed requirement.
- 1.10 HEaDROOM provides a mechanism by which key challenges can be understood and competing objectives assessed. It offers an understanding of the role of housing in ensuring that the future population of a locality can be accommodated in a manner that respects environmental limitations and strategic aspirations, but which also recognises the extent to which housing plays a crucial role in securing the economic well-being of the local area. In so doing, it has the capacity to provide the detailed evidence that is required to inform sound planning decisions, based upon an appreciation of the (potentially competing) policy requirements and the local nature of the relevant area.
- 1.11 The HEaDROOM framework has been employed as part of this study in order to inform the assessment of the work that has been undertaken to date and the identification of a preferred set of housing requirement figures going forwards. By modelling a number of alternative trend and economic change-based scenarios, this report sets out the housing, economic, demographic and labour force impacts of different levels of housing growth in order to help the decision-making process that must inform the preparation of the JCS. The use of different scenarios provides the basis for strength of assessment and clarity regarding the objective assessment of housing need.

Local Background

- 1.12 The JCS “Developing the Preferred Option Consultation Document” was published for consultation in December 2011. This drew upon a large body of evidence that had been prepared by Gloucestershire County Council and by the JCS authorities including the following key reports:
- 1 Gloucestershire Local Projection 2010 Report – prepared in June 2010 by the Research and Intelligence Team within the Chief Executive’s Support Unit at Gloucestershire County Council;
 - 2 Housing Trend Analysis & Population and Household Projections Report – commissioned by Gloucestershire County and District Planning Authorities and prepared in May 2011 by the Research and Intelligence Team within the Chief Executive’s Support Unit at Gloucestershire County Council; and,
 - 3 JCS Housing Background Paper, November 2011.
- 1.13 The Gloucestershire reports were prepared on a County-wide basis and provide population and household information for each of the six local authorities and for the County as a whole. The June 2010 report sets out projections, based upon an analysis of past trends whilst the May 2011 report provides more detailed past trend analysis and an employment-based projection.
- 1.14 The Housing Background Paper which was published by the three councils translates the population and household projections to a dwelling requirement figure and also rebases the figures to 2011, to reflect the revised JCS period of 2011 to 2031, taking account of past under- and over-supply of housing between 2006 and 2011.
- 1.15 The work that was undertaken by Gloucestershire County Council was based on locally-derived population evidence that had the capacity to test the impact of future policies on future population changes. This is in contrast to the Office of National Statistics’ (ONS) Sub National Population Projections (SNPP) which are policy neutral and do not consider the impact of specific interventions. However, in practice, the projections that informed the JCS were based on locally-derived past trend evidence and therefore did not consider policy implications.

Conclusions of approach undertaken to date

- 1.16 Although there are a number of matters of concern in relation to the detailed methodology that has been adopted by Gloucestershire County Council, its local population and household projections appear to be generally robust.
- 1.17 However, this analysis was undertaken in 2010 and relied on the data that was available at that time and which has now been superseded. The approach that has been taken by Gloucestershire County Council in respect of the translation from households to dwellings is not considered to be reliable due to discrepancies with the data that has been applied.

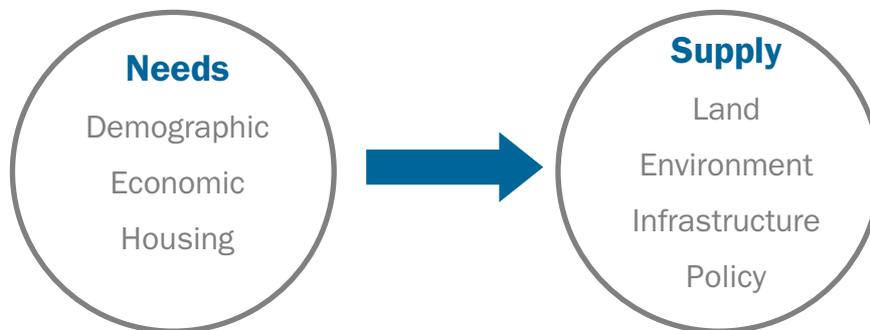
- 1.18 It is important that the JCS is informed by the most up-to-date information. For this reason, the data contained within the Gloucestershire Local Projection 2010 report is now not considered to be appropriate as an evidence base to the JCS. Unfortunately, due to reduced resources, Gloucestershire County Council is no longer undertaking its own demographic projections and so it is necessary to rely upon alternative sources. ONS and CLG data represent a useful and reliable starting point for the assessment of demographic trends and dwelling requirements.
- 1.19 In the light of these matters, further analysis was appropriate to take account of the most recent data releases and also to reflect current best practice in undertaking demographic and housing projections.

2.0 The Components of Housing Need

2.1 The NPPF requires consideration to be given to housing needs and supply in ensuring that “*Local Plan(s) meet the full, objectively assessed needs for market and affordable housing*”. In so doing, it is important to distinguish these two elements as follows:

- 1 Housing needs: how many houses do we need in the local area?
- 2 Housing supply: how / where can these houses be delivered?

2.2 The implication of this is that housing supply matters should be taken into consideration following the identification of local needs. They should not be used to inform the assessment of needs and any Local Plan that seeks to do so is unlikely to be found sound.

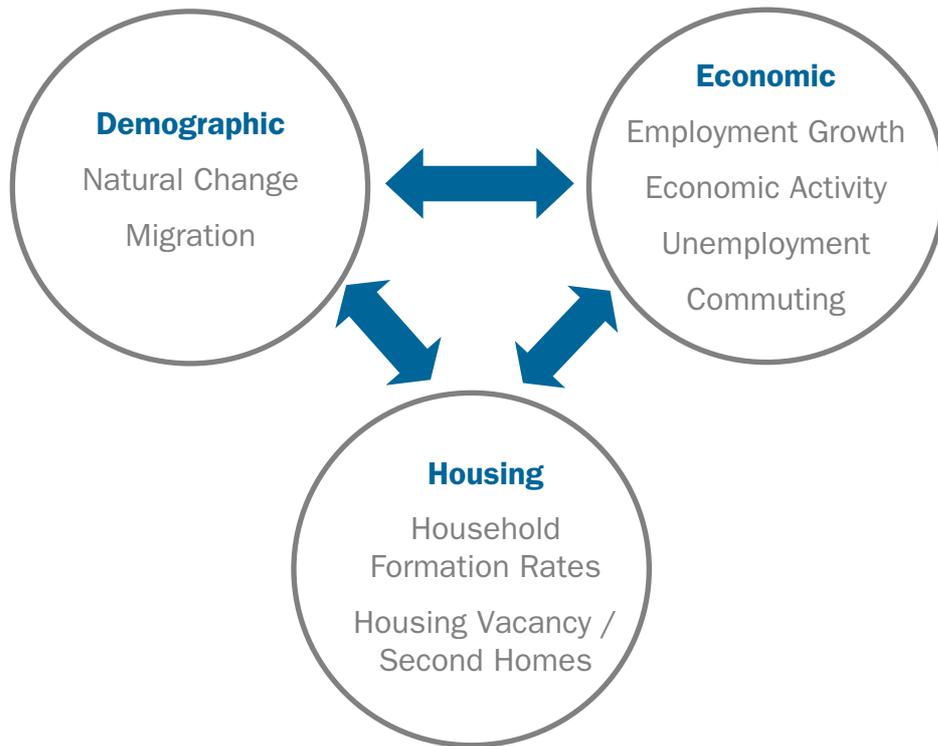


2.3 Housing requirements in any area are affected by the following inter-related considerations:

- 1 **Demographic:** the change in the number and profile of the people that will live in the local area;
- 2 **Housing:** the number of dwellings that are required to accommodate the changing population size and structure; and,
- 3 **Economic:** the number of workers and jobs that can be supported by the local population.

2.4 The relationship between these factors is complex and each can shape housing demand. As such, the implication of changes to each need to be taken into account when seeking to identify the objectively assessed local housing need. In the context of the NPPF objectives, and in the interests of reflecting the JCS vision to “*foster growth in the local economy and provide sufficient homes...*”, it is particularly important to understand how alignment can be achieved between economic and housing objectives.

2.5 The key variables that should be tested as part of the process of objectively assessing need are summarised below:



- 2.6 The identification of an objectively assessed level of housing need is dependant upon a series of assumptions relating to each of these broad factors, all of which must be reasonable and clearly articulated. The consultation responses to the JCS Preferred Option document have highlighted the existence of a series of strongly held misconceptions which, if not addressed, could form the basis by which the reasonable assumptions that have informed the objective assessment of housing need for the JCS area might be challenged.
- 2.7 The misconceptions that have been expressed through the consultation process are summarised below through an exploration of the things that the planning process and the JCS in particular can and cannot control:

Table 2.1 Common misconceptions – the things that the JCS cannot control

<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Natural change</p>	<p><i>The contribution of natural change to housing requirements.</i></p> <p>This represents the balance between the number of births and deaths in an area. It has a key bearing upon demographic change in any area and whilst it can be affected by improvements in healthcare provision, it is not something that the town planning system can be expected to shape.</p>
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">In Migration</p>	<p><i>Whether the housing needs of migrants should be accommodated; whether the needs of high level of in-migration of older people into the JCS area could be reduced by controlling the supply of housing; and the extent to which the out-migration of younger people is creating local economic difficulties.</i></p> <p>The JCS area enjoys a high quality of life and, as such, is a popular destination for those moving from other parts of the country, especially for their retirement. The evidence shows that international migration accounts for a very small proportion of total migration into the JCS area.</p> <p>It has been suggested that constraining the supply of housing would reduce in-migration into the JCS area. This is not the case as many older in-migrants are likely to be better able to compete in the housing market and therefore migration levels are not likely to be constrained by housing supply. Rather, this action would have a disproportionate impact upon local and younger people who are typically less able to compete in the market.</p> <p>The planning system can therefore influence net migration although the impact of this is most likely to be felt by local younger and working age people rather than the older people that are moving in from elsewhere.</p>

Household Formation	<p><i>The role of household formation in influencing dwelling requirements.</i></p> <p>An understanding of household formation provides a basis by which an understanding of population change might be translated to an appreciation of household growth and dwelling needs.</p> <p>Household formation rates are shaped by a range of social and demographic factors. Even were population to remain static, the number of households (and hence, dwelling need) would be expected to increase over time. Even if the population were to remain static, it is not within the scope of the JCS to seek to shape households formation. Any efforts to do so through controlling the supply of dwellings will not be successful and will serve to exacerbate economic imbalances and difficulties because:</p> <ol style="list-style-type: none">1 The rate of household formation is not directly related to housing supply;2 The long term trend is towards smaller average household size, due to social changes such as greater life expectancy, people getting married and having families at an older age, and family breakdown; and,3 As detailed above, controlling the housing supply would not reduce levels of in-migration of older persons but might result in local, working age people being displaced from the local area.
Second Home Ownership	<p><i>The effect of second homes and vacant dwellings upon the objective assessment of housing needs.</i></p> <p>Given its attractiveness, the JCS area is popular amongst second homeowners. Although some dwellings are specifically constructed as holiday homes, the vast majority are purchased on the open housing market and are not subject to restrictions through the planning process. It is therefore not possible to control second home ownership by constraining housing supply. Such action would again have an adverse impact upon local younger and working age people.</p> <p>In addition, the area is characterised by a very low level of vacancy and it is not considered that a further reduction could reasonably be incorporated into the housing assessment.</p>

Macro Economic Conditions	<p><i>The effect of the macro-economy upon the JCS area and the difficulties that exist in being able to forecast future changes at this time.</i></p> <p>Macro economic trends can have a significant bearing upon demographic, economic and housing factors within the JCS area. Although the Government has repeatedly expressed its desire for the planning system to contribute towards growth, this is not within the control of the JCS. In spite of this, the vision for the area is to enhance the economic well-being of the area and this will result in an increased level of wealth. This is in line with the NPPF and, as such, the JCS should not plan for stagnation or decline – that would not be sustainable and would not be in the best interests of local people or local communities.</p> <p>The reality is that over the next 20 years, the population of the JCS area will increase by both natural change and net in-migration. The plan cannot do anything to turn this tide and should plan for the likely housing requirements that will emerge.</p> <p>The recession has had a large impact upon Cheltenham, Gloucester and Tewkesbury but the JCS should plan for growth, recognizing that the recession and its lasting impacts will not continue forever and that growth will eventually occur. The plan should respond to this and help to stimulate, shape and direct growth when it does happen.</p>
Housing Demand	<p><i>Drawing upon these considerations, the extent to which housing needs might be controlled.</i></p> <p>The implication of these considerations is that the actual level of housing need is not something that the JCS can control. The NPPF requires local authorities to objectively assess their housing need and also to ensure that this can be met in full. In seeking to meet this requirement, local authorities must provide clear evidence regarding the level of need that exists. Such evidence should be informed by reasonable assumptions and should not be affected by concerns regarding the potential housing supply.</p>

2.8 By way of response to these matters, it is also instructive to understand the things that the planning process and the JCS in particular can influence:

Table 2.2 The things that the JCS can influence

Housing Supply	<p>The Local Planning Authority can control housing supply by ensuring sufficient land is allocated for housing during the plan making process to ensure the housing requirement can be met over the plan period. An under-supply of housing can lead to more planning appeals being won given National Policy expectations for Local Authorities to have a deliverable housing supply. Un-planned development through planning appeals will result in ad-hoc growth which</p>
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	cannot be strategically planned for in comparison to allocated growth with can.
Alignment between Jobs and Housing	The Local Planning Authority can influence the alignment between jobs and housing by controlling the amount of housing and employment space that is delivered over the plan period. On the basis of economic forecasts, the Local Planning Authority can suitably plan for new housing growth which will ensure the future workforce have houses to live in.
Commuting	<p>The Local Planning Authority can influence commuting patterns through the planned development of jobs and housing in the area. Creating more jobs through employment development will influence higher in-commuting as the workforce is likely to travel from further afar for better opportunities.</p> <p>If the Planning Authority however reflects future job creation through the development of housing, it will reduce commuting numbers. Providing sufficient housing in the area will result in the workforce being able to better compete in the local housing market and therefore reside closer to their place of work.</p>

3.0 Revised Assessment of Housing Need

3.1 Our review of the work undertaken by Gloucestershire County Council and the JCS team has identified a need to update the projections in order to take account of the latest available information. However, given that the County Council is no longer undertaking its locally derived projections, it is necessary to rely on alternative sources.

3.2 In the light of this, our assessment has considered a number of alternative – demographic and economic based – scenarios. These take account of the latest data and best practice in order to inform an understanding of the objectively assessed housing need.

3.3 The following key scenarios were tested through this study:

Table 3.1 Summary of Assessment Scenarios

Demographic-based	Office of National Statistics ONS 2010 SNPP	Reflects the most recent 2010-based ONS SNPP by applying the same core assumptions on natural change and migration. Applied 2008-based household projections and an allowance for second homes and vacancies.
	Department for Communities and Local Government (CLG) 2008 household projections	Considers dwelling requirements implied by 2008-based CLG household projections by setting these alongside an allowance for second homes and vacancies.
	Past trend migration	Considers the impacts of projecting forward longer term migration rates (domestic: 1999-2010; international: 2001-8) – in contrast to the SNPP which models 5 year past trends.
	Natural change	Considers the housing needs that would be associated with the JCS authorities providing only for the pressures from its internal population in terms of natural change, an ageing population and changing social (household formation and dwelling occupancy) patterns.
	Domestic migration	Considers the implications of there being no international in or out migration in the future (i.e. so that there would only be domestic migration) in order to test the magnitude of this component

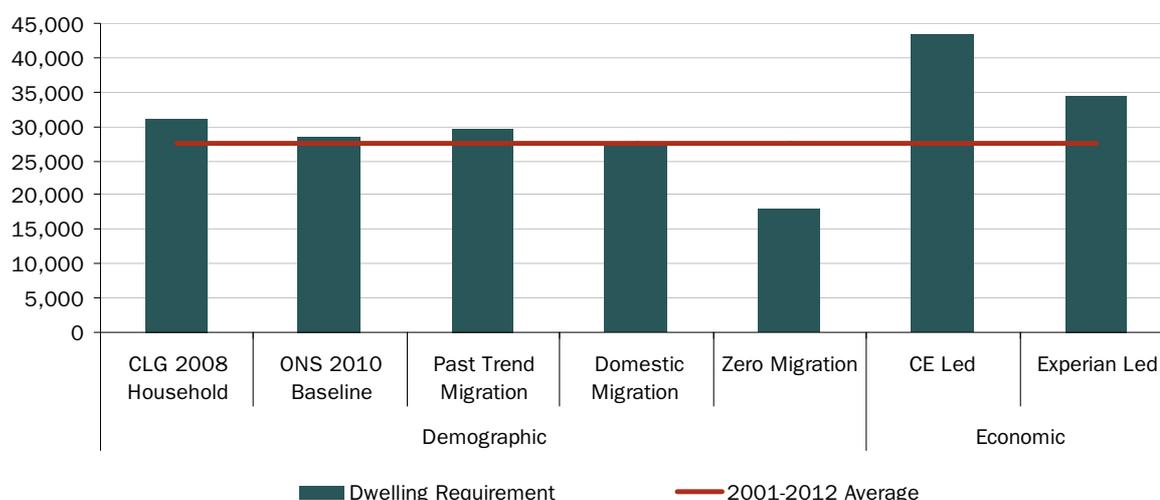
Economic-based	Cambridge Econometrics Projection	Tests the demographic changes that would be associated with the level of future employment growth identified by the Cambridge Econometrics baseline scenario (27,000 jobs between 2011 and 2031) and considers the number of dwellings that would be required to accommodate that population change.
	Experian Projection	Tests the demographic changes that would be associated with the level of future employment growth identified by the Cambridge Econometrics baseline scenario (15,500 jobs between 2011 and 2031) and considers the number of dwellings that would be required to accommodate that population change.

- 3.4 Bearing in mind that the employment impacts of each scenario will depend upon assumptions relating to changing commuting and unemployment levels, sensitivity testing of the options was undertaken in order to consider the implications of alternative rates.

Demographic Assessment

- 3.5 A series of demographic-led scenarios have been tested in order to consider what alternative projections of natural change, migration and headship rates will mean for future levels of household growth and dwelling requirements.
- 3.6 The graph below sets out the total number of dwellings required across the JCS area over the period from 2011 to 2031 as a result of each of these demographic-based scenarios. These are set against the Scenario C contained within the JCS 'Developing the Preferred Option' Consultation Document for the purposes of comparison, albeit that it should be noted that this scenario (36,850) is based upon data that has now been superseded.

Figure 3.1 JCS Dwelling Requirement, 2011-2031



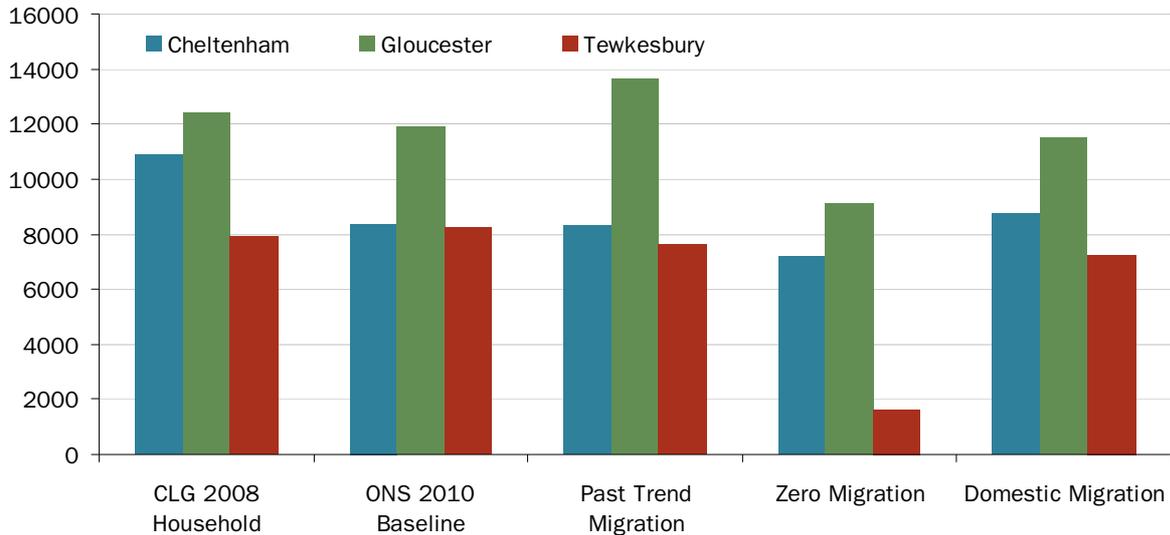
Source: NLP Analysis of PopGroup Outputs

- 3.7 Four of the scenarios outlined above point towards a similar housing requirement of around 30,000 dwellings over the JCS period. This reflects the components of change that are anticipated by the latest ONS Sub National Population Projections and represents a slight increase above past trends between 2001 and 2012. However, in considering past housing delivery, it should be noted that both Cheltenham and Tewkesbury have suffered from a persistent under-delivery such that the number of completions between 2001 and 2012 amounted to only 75% of the then total requirement (1,710 p.a.). Applying past completion rates to project future housing requirements would serve only to perpetuate historic supply difficulties.
- 3.8 The zero migration scenario is not considered to be realistic as migration is, and will remain, a crucial component of demographic change. However, it is important in highlighting the reality that the need for housing is not solely a function of migration. Rather, because of changes in the formation of new households and in the way that dwellings are consumed, more houses will be required to meet the increasing demand from within the existing population.
- 3.9 Crucially, none of these scenarios take account of the economic implications. This raises significant concerns regarding the coherence of the JCS in terms of its alignment between the provision of jobs and new housing. The implication of this is that the CLG 2008 and ONS 2010 scenarios would both result in 11,700 – 14,100 and 9,100 – 11,400 additional jobs (respectively) being filled by those living within the JCS area whilst the domestic migration scenario would result in 6,200 – 8,500 additional jobs being filled by those living within the JCS area. By way of comparison, forecasts that were prepared by Experian indicated that an additional 15,500 jobs are likely to be created within the JCS area between 2011 and 2031 whilst forecasts that were prepared by

Cambridge Econometrics to inform the JCS indicated that an additional 27,000 jobs are likely to be created within the JCS area between 2011 and 2031.

3.10 The specific distribution of housing need associated with each of these demographic scenarios is set out below.

Figure 3.2 Distribution of demographic-based housing requirements (2011 – 2031)



Source: NLP Analysis of PopGroup Outputs

Economic Assessment

3.11 Reflecting the vision to foster growth within the local economy alongside the Government drive for growth which is clearly stated within the NPPF, the jobs-based scenarios consider the level of demographic and housing growth that would be required to support and sustain the level of economic growth that has been identified as likely to be achieved within the JCS area. This is important in ensuring that the JCS is internally consistent in respect of the provision that it makes for employment change and housing growth.

3.12 Employment growth can be accommodated through a number of mechanisms:

- 1 Increased levels of economic activity;
- 2 Reduced unemployment;
- 3 Reduced net out-commuting; and,
- 4 Increased net in-migration.

3.13 It is likely that local job creation will cause economic activity levels to rise, unemployment to fall and net out-commuting to fall. A series of sensitivity tests have been applied in order to consider these matters in detail.

3.14 Two sets of economic forecasts were prepared – by Cambridge Econometrics and Experian Business Strategies. The CE forecasts identified that 27,000 new

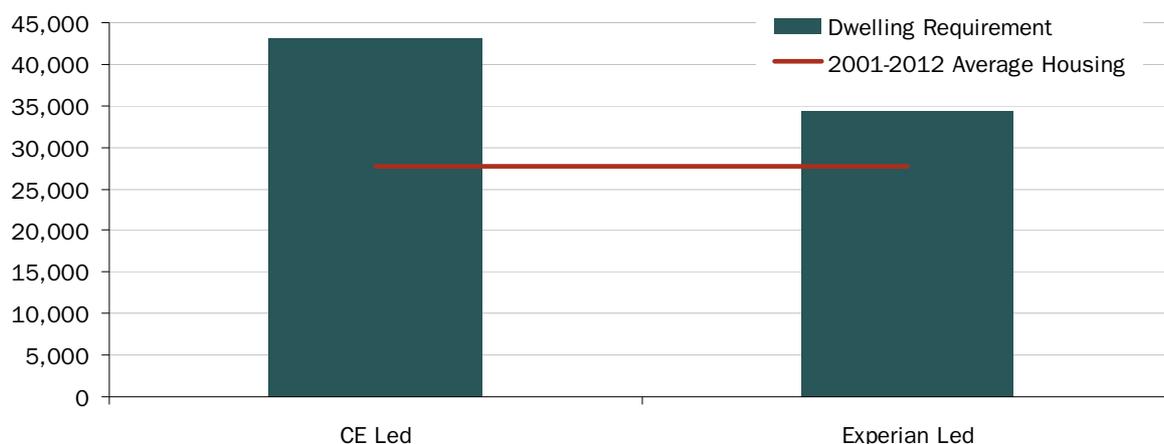
jobs would be created within the JCS area between 2011 and 2031 whilst the Experian forecast identified that 15,500 new jobs would be created within the JCS area over this same period.

3.15 The analysis concludes that:

- 1 The creation of 27,000 new jobs between 2011 and 2031 would result in a need for between 41,300 and 43,500 additional dwellings across the JCS area. This represents a 50% uplift upon past delivery (2001 – 2010) but less than a 20% increase on past requirements (1,710 p.a.).
- 2 The creation of 15,500 new jobs between 2011 and 2031 would result in a need for between 32,500 and 34,400 additional dwellings across the JCS area. This represents a 25% uplift upon past delivery (2001-2010) but is 5% below past requirements (1,710 p.a.).

3.16 The housing need that comes from these scenarios is associated with the large increase in the working age population together with the continued increase in the number of older people. It would therefore contribute towards a population structure that is more evenly distributed, rather than just resulting in an ageing population.

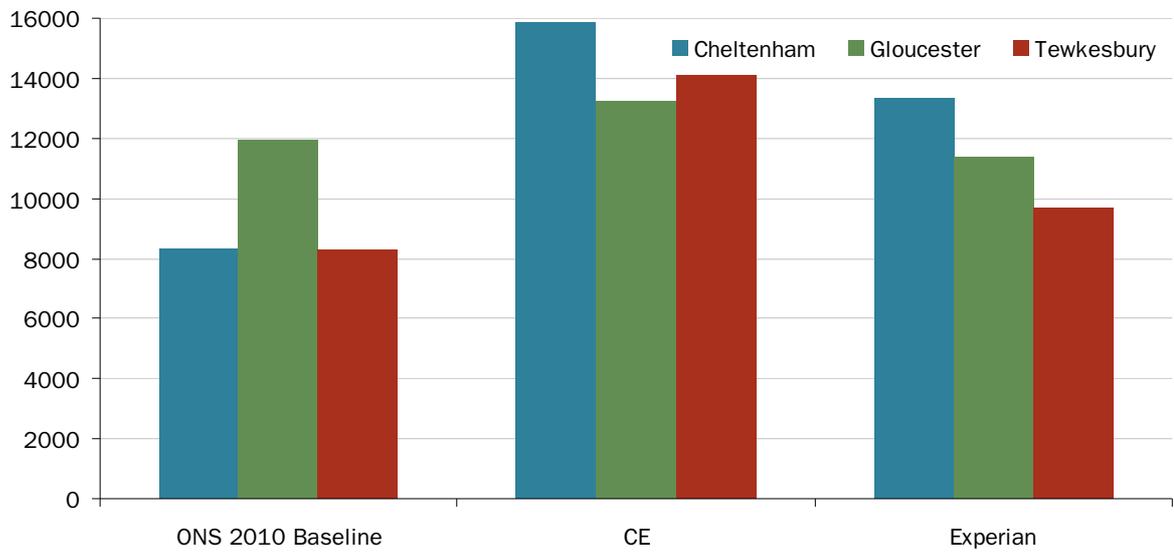
Figure 3.3 JCS Dwelling Requirement, 2011-2031



Source: NLP Analysis of PopGroup Outputs

3.16 The specific distribution of housing need associated with the employment-led scenarios is set out below.

Figure 3.4 Distribution of jobs-based housing requirements



Source: NLP Analysis of PopGroup Outputs

4.0

Moving towards the JCS

Bringing the Evidence Together

4.1

Whilst it is useful to compare each of the scenarios, careful regard should be given to:

- 1 Their economic implications;
- 2 Their impact upon the demographic structure of the JCS area; and,
- 3 The reliance upon migration to achieve the necessary level of population change and the implications associated with any such net inflow.

4.2

Regard should also be given to the deliverability of different housing requirement figures, judged against past trend completions, land availability and viability factors, although this consideration should not serve to influence the objective assessment of housing need.

4.3

Taking account of these matters, the following conclusions can be drawn from evidence derived from each scenario.

- 1 The zero migration scenario ignores the reality that migration will continue to happen within the JCS area and that it will be beneficial for the area in terms of its social and economic well-being.
- 2 Reliance only upon natural change would result in a significant change in the demographic profile of the area. The number of people of retirement age is expected to rise by 55% between 2011 and 2031, such that this age cohort would account for 20% of the population in 2031, compared to 13% in 2011. By contrast the number of working age people is expected to fall by 2.5% over the same period.
- 3 Whilst the demographic scenarios would result in an increase in the working-age population and would ensure that an increase in employment could be sustained, they fail to reflect the level of growth that is anticipated and, as such, would compromise the deliverability of the economic vision for the area. In so doing, it would also result in social implications through the creation of an increasingly aged population and a decline in the available workforce.
- 4 The demographic-based scenarios therefore fail to take account of the economic aspirations for the area. If used to inform JCS policy, this would result in a misalignment between jobs and housing, to the detriment of the soundness of the JCS and the health of the local economy.
- 5 The employment-led scenario would provide the basis for an integrated JCS. The delivery of sufficient housing for the (expanding) workforce is essential to ensuring that economic growth can be attracted and sustained. Recognition of the housing need associated with the employment forecasts would accord with the objectives of the NPPF and the JCS vision.

- 6 Recognising the differences that exist between the different economic forecasts, selection of the final figure will depend upon establishing the preferred level of employment growth for the JCS area. The identification of the number of new jobs that are to be sought through the JCS will be based upon the identification of policy aspirations relating to the promotion of key sectors in accordance with the economic and spatial vision for the area. This work remains to be undertaken and may result in a housing requirement figure that falls outside of the range set out above.
- 7 Increasing the housing the supply will enable a larger proportion of people to be more able to compete in a broader housing market. A more balanced population increase will then help facilitate and avoid the loss of younger people and thereby support the increase in older persons in the future.

4.4 Despite being considered within the context of a JCS, it is important that each Local Authority seeks to meet their individual requirement figure in the first instance, rather than assuming that the duty to cooperate would allow it to be met elsewhere. Whilst the reality is that growth is likely to be strategically planned across the three authority areas, the basis for the identification of potential housing sites should be to seek to locate them where the need exists. There must be a duty to cooperate in order to achieve housing targets but growth must be evenly distributed to ensure the development balanced communities across the JCS area.

4.5 Based upon the economic-led scenarios, the housing need for each of the JCS authorities is set out below. This does not take account of issues arising as a result of the duty to co-operate but rather reflects the specific requirements for each of the three local authority areas:

Table 4.1 Housing Requirement for each Local Authority Area

LA Area	Housing Need, 2011-2031
Cheltenham	12,650 – 15,900
Gloucester	10,550 – 13,200
Tewkesbury	9,300 – 14,100
TOTAL	32,500 – 43,500

Source: NLP Analysis of PopGroup Outputs

4.6 These therefore represent the policy area requirements to be provided for either in each local authority area or through the application of the duty to co-operate. Key factors to be taken into account when seeking to identify how the required level of housing is to be accommodated include:

- 1 Land availability in each local authority area;
- 2 Environmental constraints;

- 3 Infrastructure provision and constraints; and,
- 4 Viability and deliverability considerations.

Testing the Options

Increasing supply of housing...

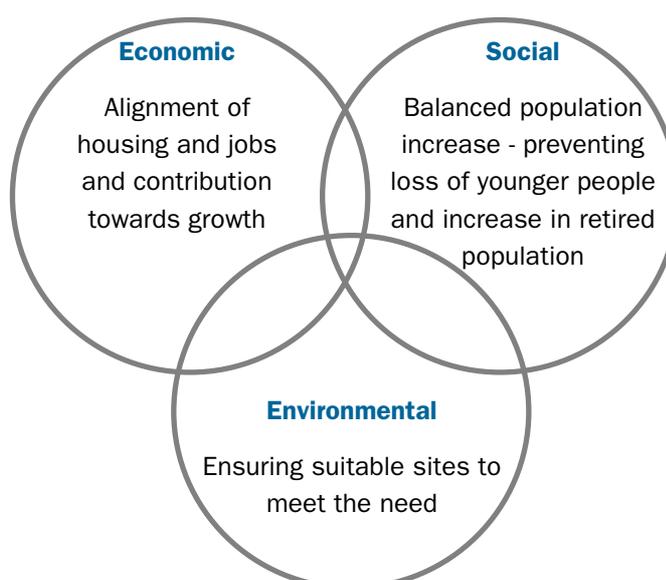
- 4.7 The NPPF requires local authorities to “*boost significantly the supply of housing*”. The average rate of completions between 2001 and 2012 was 1,400 per annum – equivalent to a total supply of 28,000 dwellings over 20 years. Within this time there was a period of greater delivery, as illustrated by the fact that the peak supply was 1,900 units between 2005 and 2009 – equivalent to a total supply of 38,000 dwellings over 20 years. If achieved, the emerging future need would represent a boost in supply, as anticipated by the NPPF.

... Including affordable housing

- 4.8 On the basis that a proportion of the total need would be met as affordable homes, the jobs-led approach would be important in increasing the supply of affordable housing and thereby to help address this important component of housing need.

Contributing towards improved sustainability

- 4.9 The NPPF emphasises the importance of achieving sustainable development. The employment-led scenario would contribute towards the social and economic components of sustainability whilst the supply side assessment would contribute towards the environmental component:



Benefits of development

4.10

The recommended level of housing within the JCS area would generate a range of benefit for the area, as follows:

- 1 Economic Boost, including:
 - i New Homes Bonus and ongoing Council Tax receipts per annum;
 - ii Gross Value Added (GVA) associated with the construction phase;
 - iii An additional annual spending by new residents per annum; and,
 - iv Community Infrastructure Levy investment in communities.
- 2 Substantial investment and income to counter budget cuts.
- 3 Alignment between jobs and housing to deliver the economic vision.
- 4 Improved supply of housing to reflect demand.
- 5 Enhanced supply of affordable housing.
- 6 Potential to stem the outflow of working age persons and to achieve a balanced community – avoiding the emerging economic time-bomb.
- 7 Delivery of local community benefits.
- 8 Delivery of a sound JCS.
- 9 Ability to control the scale and distribution of development.

Moving toward a Preferred Option JCS

4.11

In seeking to progress towards the preparation of a sound JCS, the following key actions are required:

- 1 The importance of making the necessary decisions and delivering a JCS.
- 2 The importance of distinguishing between housing needs and supply:
 - i Establishing the “objectively assessed housing need” and presenting it within a sound evidence base; and,
 - ii Understanding how to meet the housing need in a sustainable manner.
- 3 Ensuring a coherent strategy which is consistent in its ability to achieve the stated vision and to meet the requirements of the NPPF.
- 4 Ensuring that the duty to co-operate is fully addressed, recognising that Tewkesbury may be required to accommodate some Cheltenham and Gloucester related growth but that Cheltenham and Gloucester should seek to maximise capacity within their administrative areas in the first instance.



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