

# Harlow Local Development Plan Examination

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Dear Mr Bramidge

## HARLOW LOCAL DEVELOPMENT PLAN EXAMINATION OFFICE FOR NATIONAL STATISTICS: 2018-BASED HOUSEHOLD PROJECTIONS

As you know I have been seeking to progress the final report into the HLDP as soon as possible. However, the 2018 based household projections were released by the ONS on 29 June and as the HLDP is a transitional plan being examined under the 2012 NPPF these now need to be taken into account.

Thank you for arranging the prompt note from ORS responding to the projections. Whilst this is helpful, on further reflection this is insufficiently clear and robust to justify the OAN of 7,400 dwellings for Harlow and 51,700 for the HMA as a whole. This is particularly important given the role of the OAN as part of the 'exceptional circumstances' required to justify the deletion of land from the Green Belt. For example, since each official projection uses the latest available information it presumably supersedes previous projections, so the average of the last four projections has little relevance as a factor.

The relevant PPG guidance concerning how to calculate the Objectively Assessed Need (OAN) for housing includes the following:

*The government's official population and household projections are generally updated every 2 years to take account of the latest demographic trends...*

*Wherever possible, local needs assessments should be informed by the latest available information. The National Planning Policy Framework is clear that Local Plans should be kept up-to-date. A meaningful change in the housing situation should be considered in this context, but this does not automatically mean that housing assessments are rendered outdated every time new projections are issued.*

The Council's local needs assessment in the West Essex & East Hertfordshire SHMA July 2017 takes the 2014-based household projections as the starting point for calculating the OAN for housing. This was found to be 7,400 dwellings for the plan period or 336 dpa, while for various reasons the plan sets the housing requirement at 9,200 dwellings for the plan period or 418 dpa (prior to any adjustment for a stepped trajectory).

The 2018-based household projections published by the Office for National Statistics now need to be considered as part of the *latest available information*. I have summarised the various projections for the plan period in the table below, which the Council should check. The 2018-based projections forecast a noticeably lower level of household growth than did the 2014-based ones, continuing a downward trend indicated by the 2016-based projections. Clearly though, these projections do not take account of all the factors set out in the PPG which have the potential to affect the objectively assessed housing need identified within the SHMA.

	Households in 2011	Households in 2033	Growth 2011-33	Growth per annum 2011-33
<b>2014-based</b>	34,695	42,348	7,653	348
<b>2016-based</b>	34,401	39,409	5,008	228
<b>2018-based</b>	34,401	37,495	3,094	141

As part of my examination of whether the Plan's housing requirement is sound, I will need to consider whether the 2018-based household projections represent a *meaningful change in the housing situation* from the one which informed it. As a first step, I would like to invite the Council to address this question in a more comprehensive evidence-based written statement. In reaching your conclusion about whether a meaningful change in the housing situation has occurred, please cover the following issues alongside any others which might be relevant:

1. The effect of the 2018-based projections on the OAN for housing vs. the 2014-based projections used in the SHMA. The 2012 projections are now old and the 2016 projections superseded so the relevant comparison is between the 2014 projections which inform the plan and the 2018 projections which are the latest available information.
2. Whether there are implications for the housing requirement set in the plan, having regard to any wider considerations/interrelationships across the HMA; and
3. Whether the projected reduction in household growth affects the justification for the plan's proposed Green Belt releases.

In dealing with (1), it would be helpful if the statement could go back to first principles starting with the 2018 household projections and working through any necessary adjustments following the PPG guidance. As with previous SHMA exercises these might include the use of longer-term migration trends and household formation rates to arrive at the demographic starting point, followed by consideration of other factors such as the need to align jobs and workers (which should be calculated) and any uplift to reflect market signals. Please quantify the adjustments. Comparison can then be made with the 2017 SHMA to reach an overall conclusion as to whether a meaningful change in the housing situation has occurred since the preparation of that document.

I would be grateful to receive your statement by 7 August 2020 or earlier if possible. If you require more time, please advise the Programme Officer. I will then consider whether it is necessary to seek the views of other participants in the examination and, if so, the best means of doing so.

A similar letter has been sent to Epping Forest District Council in respect of their plan.

Please place a copy of this letter on the examination website.

Yours sincerely

*David Reed*

INSPECTOR