

West of England Strategic Housing Market Assessment Review

Purpose of the report

1. To inform Members of the outcomes of consultation on the Pre-Production Brief which closed on 31st May 2013.
2. To seek Members views and endorsement on the proposed response to the consultation and next steps for undertaking a Strategic Housing Market Assessment review to inform future local plans.

Background

3. The National Planning Policy Framework requires local authorities to prepare a Strategic Housing Market Assessment (SHMA). A SHMA is an objective assessment of future local housing requirements. The SHMA expectations are wider in that alongside affordable housing, market housing and housing for groups with special needs (including self build) should also be considered. These assessments should consider housing market areas, and therefore need to be prepared jointly between neighbouring authorities. This requires their preparation to be consistent with the principles of the duty to cooperate (DtoC) introduced by the government in the Localism Act and National Planning Policy Framework (NPPF). The DtoC is in place to ensure effective cross boundary working on strategic planning matters that transcend local authority boundaries.
4. The authorities prepared a SHMA review **pre-production brief** that set out the proposed approach to a SHMA review, to ensure that the evidence base preparation is considered jointly to inform future Local Plan reviews (anticipated 2015/16). As well as informing future local plans the SHMA review is a part of the normal on-going evidence preparation, monitor and review of plans.

Consultation

5. The Pre-Production brief included an indicative timetable to undertaking the SHMA review and was consulted on between 28th March and 31st May 2013.
6. The Pre-production brief was sent directly to: the prescribed bodies under the Duty to Cooperate; neighbouring authorities; the Local Enterprise Partnership's Infrastructure and Place Group; and the Construction and Development Sector Group, along with other interested parties. It was also placed on the Duty to Cooperate section of the West of England website and presented to the South West Observatory Housing and Planning Evidence user group in April and the West of England Housing Delivery Panel in May.
7. The authorities recognise the importance of seeking early engagement and views from the development industry, statutory agencies, registered providers, neighbouring authorities and other interested parties with expertise in this area. Views and comments received will help to inform and shape the brief for the final

brief for the SHMA review and the appointment of successful consultants.

8. There were 8 responses to the consultation from organisations or individuals. These are summarised in Appendix 1, which also sets out a proposed officer responses.

Outcome of consultation

9. Key issues raised included:

- Neighbouring authorities welcomed the opportunity to comment and highlighted that they would like to be invited to be part of or engaged in the project team for the West of England SHMA review given the cross boundary issues and potential implications.
- Whether the SHMA review would be used to inform current core strategies.
- Whether the timetable would be able to be brought forward.
- How the SHMA evidence base will be used to inform future local plan reviews and what the mechanism would be for distributing any housing requirement identified through the SHMA review.
- Technical issues relating to particular projections and evidence that should be used as inputs to any commissioned modelling work.
- How special needs groups will be identified and provided for.
- Governance arrangements and how the development industry and other business representatives will be able to engage in the process of the SHMA review.
- The 4 component workstreams were broadly supported.

10. The above issues were reported to the West of England Joint Scrutiny Committee on 7th June 2013. A summary of their views is at Appendix 2.

Further issues to consider

11. Lord Taylor was recently commissioned by Government to undertake a review of planning guidance. It was recommended that new SHMA guidance, possibly combined with guidance on strategic housing land availability assessments is required as a matter of priority. It is anticipated that guidance will be published Summer 2013. The final brief will need to take account of any guidance.

12. The Housing Market Area is yet to be agreed (informed by evidence which will require the latest Census Travel to Work Area information (anticipated November 2013)). Mendip and West Wiltshire local authority areas were previously included within the West of England Housing Market Area.

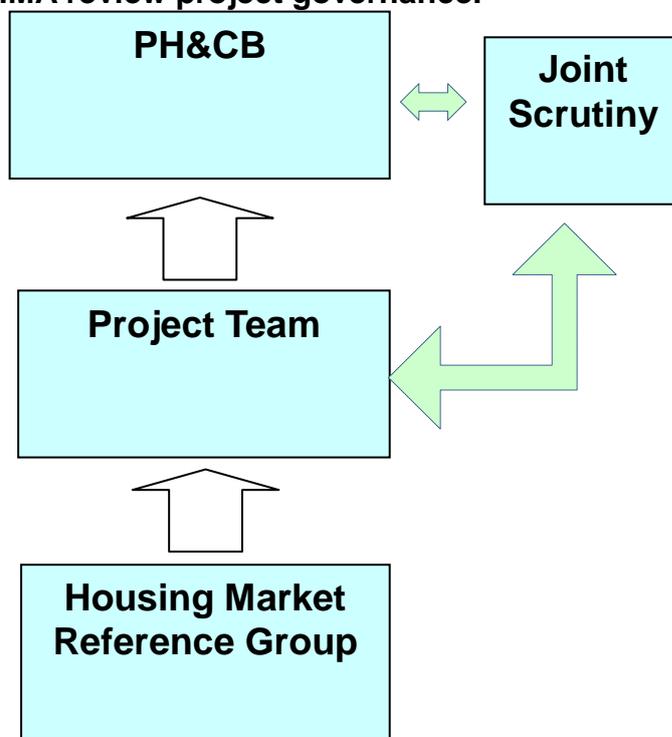
13. The West of England will continue to work with our neighbouring authorities to determine the best approach to undertaking the SHMA review.

Next steps.

14. A brief for the SHMA review will be drafted, the output required is a SHMA that is NPPF compliant and that comprises the four work streams previously set out.
 - **Workstream 1: Economic Growth Scenarios**
 - **Workstream 2: Demographic Scenarios**
 - **Workstream 3: Housing supply and summary outputs from SHLAAs**
 - **Workstream 4: Housing needs elements of specific groups**

15. The brief will be subject to soft market testing to gain an understanding of the likely costs and approaches for the work. If helpful to Members a separate session could be arranged with examples of how other areas have undertaken this work jointly, e.g. Gloucestershire, West Northamptonshire, Black Country.
16. It is anticipated that much of the evidence base preparation to input into any commissioned consultancy work, will be done in house, using existing structures and within existing officer support. Project management can be provided within the current West of England office support.
17. As previously reported, specialist consultancy support will also be required to deliver this essential evidence base material. After soft market testing and when costs and officer time are known a further report will be made back to the Board.
18. Project governance as set out in figure 1 will be as follows:
 - The West of England Planning Housing & Communities Board- will receive progress reports from the project team. The PHCB will provide a gateway function, approving progress at each key stage of the review before the next is undertaken. Comprises of Executive Members or appropriate representatives from each Authority.
 - Project Team: preparation and technical work (in particular workstream 3), will be undertaken by a small working group of specialists in housing and planning in the Local Authorities and project managed by the West of England Office.
 - A Housing Market Reference group – will challenge and act as a critical friend, considering assumptions and methodology to be used in the SHMA review and giving their views to the project team. They will consider each stage of the process in the review and provide transparency and robustness to the review. Invited representation from those bodies listed as statutory consultees in the Localism Act under the duty to cooperate as appropriate and the development industry.
 - Joint Scrutiny- will receive updates from the Project team and will have the opportunity to feed their views into the PHCB. The Scrutiny role is important and will provide transparency and robustness to the review.

Figure 1 : SHMA review project governance.



Indicative Timetable and next steps for further engagement with stakeholders.

19. Developing the evidence base is a technically complex process. Gathering data and analysing information will take time and is constrained by when information, in particular 2011 Census information, is available. The SHMA timetable is as below:

Feb 2013	PH&CB -Members to consider and endorse pre-production brief for consultation.
March 2013	Publish Pre-production brief for consultation
May-June 2013	Consider outcomes of pre-production brief consultation
June 2013	Report outcomes of consultation to PHCB, Joint Scrutiny & the LEP IPG Group.
July/August 2013	1 st meeting of the Housing Market Reference Group to consider response to consultation and give their views on the draft brief and soft market testing options.
Sept 2013	Following any guidance, draft and test the draft brief with the housing market reference group. Undertake soft market testing and identify commissioning arrangements.
Sept 2013	Planning Homes and Communities Board and Joint Scrutiny to receive a report on the outcome of any guidance, the resulting draft brief and proposed commissioning arrangements. Views of Housing Market Reference Group to also be reported. PHCB to ratify brief draft and commissioning arrangements.
Sept/October 2013	Engage wider stakeholders on proposed brief.
Oct 2013	Commission consultants in principle (and subject to the outcome of the HMA Area boundary), for workstreams as required
Nov 2013	Census Travel to Work Area Data available- inform definition of Housing Market Area (HMA).
December 2013	Meeting of the Housing Market Reference Group and wider stakeholders to give a technical view on Census TTWA information and implications, if any, for SHMA review.
January 2014	Planning Homes and Communities Board and Joint Scrutiny to receive a report on the outcome of Census Travel to Work area, and endorse the geographical basis on which the SHMA will be undertaken.
May 2014	On basis of all data available (Census) confirmation of HMA, workstreams commence.
Dec 2014	First output (likely interim findings), validity of emerging outputs to be considered by Stakeholders, Housing Market Reference Group. Their views to be provided as feedback or consideration by the PHCB and Joint Scrutiny.

Recommendation

20. That members endorse the responses to the consultation and the preparation of a brief to progress the SHMA review in accordance with the timetable above.

Author: Laura Grady
 Planning Co-ordinator, West of England Office.

West of England SHMA Pre-Production Brief – draft response to consultation March 30th – May 31st 2013.

Ref	Respondent	Summary of key issues raised	Response/ any proposed action
1	Wiltshire UA	<p>The proposal looks good.</p> <p>The issue for Wiltshire is how we interact with any findings in the light of the duty to co-operate. The relationships between B&NES and Wiltshire are very substantial (as they are between Swindon and Wiltshire). If the SHMA only considers the West of England Partnership area, the needs of surrounding areas will be excluded without considering the sustainability of delivering further growth at the economic hubs of Bristol, Bath and Weston.</p>	<p>Noted.</p> <p>The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and on what geographical basis (informed by the Census TTWA information).</p>
		<p>(Wiltshire) would be looking either:</p> <ol style="list-style-type: none"> 1. To be included in the SHMA review as a whole (although we might then want to bring Swindon in as well), or 2. To be included in the working group, so that we can learn from best practice and ensure that appropriate representative data is fed in from our authority to represent needs arising outside of the area but with significant relationships, and/or 3. For the SHMA to explicitly identify the level of need (if any) that the identified levels of housing would meet from or place upon neighbouring authorities. 	<p>Wiltshire colleagues will be invited to attend the Housing Market Reference Group and the project team.</p>
		<p>Welcome a meeting to discuss at some point in the near future.</p>	<p>Wiltshire colleagues to be invited to West of England officer meetings (Heads of Planning).</p>

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2	Yate Town Council	<p>Yate Town Council is surprised that there is no reference to sustainable communities or sustainable economic scenarios, or to more modern views of economic growth, such as those that look at net environmental capital in the Workstream 1 figures. Bristol has set out its stall as an environmental city, is home to globally prominent sustainability organisations – and is bidding to be European Environmental City, yet the WEP Housing Market Assessment is based on models of Economic Growth which do not even mention sustainability economics or reflect the importance of sustainability.</p> <p>To be prosperous and give our residents economic stability, employment, a good quality of life in a post peak carbon economy the Workstream need to explicitly reflect and model sustainability in a post peak carbon economy. We have within the WEP area some of the leading economic thinkers in the country e.g. in CMPO and should be using them, not retreating to the models of economic growth that have led to the current malaise. We have huge internationally renown green capital in the city, and should be using those international experts to advise us on how to plan and model for a post peak carbon city region. Such thinking is not about being soft and alternative, it is about being hard nosed and commercial about what the future world will be like.</p> <p>If the World Bank , people like Peter Bakker president of WBCSD and bodies like Harvard Business School and the World Economic Forum have decided that the future economic modelling needs to reflect this, then why are we not following their line? A few years ago there were not sound models on which to base such analyses. There are now. Why are we not adopting those models? These people are using them because they see them as making sound economic and business sense</p> <p>Equally Workstream 4 needs to reflect alternative models of housing provision including co operative markets.</p>	<p>The SHMA will be a technical piece of work, that will include various economic scenarios.</p> <p>The SHMA will be an evidence base which will inform policy decisions- including those that take account of sustainability in line with the requirements of NPPF.</p> <p>Such models if available will need to be considered in the context of SHMAs and the requirements of any emerging guidance and the NPPF.</p> <p>Such models if available will need to be considered in the context of SHMAs and the requirements of any emerging guidance and the NPPF.</p> <p>Appropriate models of housing options will be considered in the context of the requirements of any emerging guidance and the NPPF.</p>

Ref	Respondent	Summary of key issues raised	Proposed action
3 & 4	Terence O'Rourke on behalf of Bloor Homes and Barratt Developments & Strategic Land Partnerships	We welcome the preparation of a joint SHMA for the west of England. It is fundamental, in order to meet the requirements of the NPPF, that the evidence base in respect of housing requirements is considered and prepared jointly to inform future Local Plan reviews.	Noted
		In respect of paragraph 11 of the pre-production brief, we note that the SHMA would “ <i>not set housing numbers</i> ”. However, the full and objectively assessed need must be met for the West of England and provided for in accordance with the policies of the framework, with particular reference to paragraph 14 of the NPPF, i.e. that the only justifiable reason to not meet the full need would be that the adverse impacts of doing so would significantly and demonstrably outweigh the benefits. Therefore the SHMA should set the baseline housing numbers for the West of England and at Unitary Authority level, only to be adjusted subject to paragraph 14 of the NPPF.	The pre-production brief states that it is anticipated that a range of housing would be an output of the SHMA at UA and West of England level. The SHMA will be a technical piece of work. This evidence base will inform policy preparation.
		Going forward the SHMA is a fundamental piece of work and the West of England will be well aware of the significant criticisms that many examination inspectors have had with respect to the level of housing provision in the south-west and the lack of co-operation between the authorities following the vacuum left by the intention to revoke regional spatial strategies and the instigation of the duty to co-operate.	The West of England have well established joint working arrangements and a continued commitment to joint working. This is evidenced by the Duty to Cooperate workstream, and this consultation.
		It is therefore key that the SHMA is robustly undertaken, a technical piece of work that is evidentially based, following a sound methodology, which fully complies with the NPPF. It must not be manipulated to local political aspirations, otherwise historic mistakes will continue to be repeated with significant adverse repercussions for the achievement of sustainable development and the gaining of important social and economic benefits.	The SHMA will be a technical piece of work. This evidence base will inform policy preparation.
		Programme- The timetable for the preparation of this work is entirely inappropriate. A number of the authorities within the West of England need to review their core strategies at an early stage, as a consequence of the constraints and criticisms referenced above. A programme of two years is far too long for the completion of this essential evidence base, which needs to be in place at the very start of the local plan review process. The programme has undue delay built in and should be significantly shortened	The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and the appropriate timetable (informed by the Census TTWA information).

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3 & 4	Terence O'Rourke on behalf of Bloor Homes and Barratt Developments & Strategic Land Partnerships	<p>Housing market areas- Housing market areas must be properly considered and defined, set against a true reflection of the relationship between urban areas and the rural hinterland and must not be confined to administrative boundaries; to do so would be contrary to paragraph 159 of the NPPF.</p>	<p>The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and on what geographical basis (informed by the Census TTWA information).</p>
		<p>Work streams It is entirely inappropriate for work stream 1: Economic growth scenarios to form part of the SHMA. This approach has previously been promoted by the West of England Authorities and was explicitly rejected by the SW RSS examination panel in 2007. It has subsequently been rejected by the examination Inspector appointed for the Bath and North East Somerset Core Strategy examination. There is nothing in the NPPF in paragraph 159 that identifies that this work should be included in the SHMA, it an ongoing attempt by the authorities to match jobs to housing, thereby ignoring the influence of migration and demand, we believe specifically intended to retain low housing requirements.</p>	<p>Economic growth scenarios are a key component of forecasting demographics, and fundamental to how the housing market operates. Housing delivery and economic growth do have inter-relationships that will need to be considered objectively.</p>
		<p>If the approach were to be included, it would fundamentally prevent the objective assessment of housing need required by the NPPF and result in a flawed SHMA that would be unsound and open to challenge</p>	<p>Economic growth scenarios will not jeopardise an objective assessment and are required given how fundamental the economic context is to the housing market.</p>
		<p>We note the reference to zero net migration at work stream 2b, the reference to workforce and economic activity at 2d and jobs and rates of employment at 2e. The NPPF is clear that migration must be taken into account. In addition to our comments above, it is also clear that the objective assessment of housing need must not be influenced by local policy objectives aimed at reducing in migration.</p>	<p>A range of demographic scenarios must be considered in order to arrive at an objectively assessed evidence base.</p>
		<p>It is fundamental to the success of the region and the provision of sustainable development (as defined by the NPPF) that sufficient housing is provided in the West of England in order to meet demand and the Government's growth agenda. Housing is a basic need, and the Government has announced an economic and moral duty to provide for that need (see Ministerial speech 10 January 2013).</p>	<p>The SHMA will be undertaken to take account of any emerging government guidance and will conform with the requirements of NPPF.</p>

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3 & 4	Terence O'Rourke on behalf of Bloor Homes and Barratt Developments & Strategic Land Partnerships	The delivery of 95,000 new jobs and 3.4% annual growth by 2030 are two of the key West of England LEP business plan targets, alongside facilitating new housing. Historically housing development has not kept pace with economic growth. This failure to keep pace means that authorities will fail to achieve the inherent economic benefits of housing growth including, the delivery of construction jobs and in direct jobs associated with additional spending in the local community the delivery of infrastructure improvements and benefits associated with the New Homes Bonus.	The SHMA will be undertaken to take account of any emerging government guidance and will conform with the requirements of NPPF.
		The West of England SHMA must be prepared to a shorter programme and following a robust methodology that fully complies with the NPPF requirements.	The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and the appropriate timetable (informed by the Census TTWA information).
5	Peter Brett Associates on behalf of Taylor Wimpey	Taylor Wimpey has interests in substantial areas of land in different parts of the West of England which it is already or will be promoting for residential and mixed use development. These interests include the control of land to the South West of Bristol between and beyond the A370 and A38. This land has previously been the subject of consultation in the preparation of the North Somerset Core Strategy and has been the subject of a planning application for a mixed use urban extension in 2009 – then called Ashton Park.	Noted
		Taylor Wimpey welcomes the consultation and welcomes the intention by the four authorities which comprise the West of England functional area to prepare a Strategic Housing Market Assessment and to work together to do so. Understanding the scale and nature of the housing requirement for the area is the vital evidence that is necessary to enable plans to be prepared for the area which can then be adopted to do what is needed. Working together on such matters is an expectation of the duty to cooperate which is a legal requirement on each of the four authorities and a requirement of the soundness test that applies to the preparation and examination of the individual Local Plans of the four authorities.	The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and the appropriate timetable (informed by the Census TTWA information).

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		The document does not explain itself very well and it is short on detail. Its role is not very clear –and hence what the authorities are seeking from the consultation is not clear either.	The pre-production brief sets out a proposed approach to undertaking a SHMA review. It states that <i>‘any comments or views in the proposed approach are welcome... These views will help inform and shape the final brief for the SHMA and the successful appointment of consultants.’</i>
		There is therefore a further and vital stage in the process... the four authorities should explain this and the briefs for any work to be commissioned or undertaken ‘in-house’ should be the subject of consultation. Only in this way can the four authorities be confident that what is produced (as opposed to how it is used) will be fit for purpose.	The intention is for the comments received to inform the briefs which will be consulted on firstly with the Housing Market Reference Group and then with wider Stakeholders.
		(the briefs should address) The purpose of the work. This is to be to provide the evidence on the size, form and appropriate broad location of the open market and affordable housing requirement arising from the West of England for a specified period (there is no reference to the period the work is to cover in the current document)	The purpose is to produce an NPPF compliant SHMA to inform future local plan reviews.
		How the work is expected to be done. Whilst there are various methods for the intended work and no current guidance, there is an emerging ‘industry standard’. The briefs should give a strong steer on the factors to be taken into account and how these are to be investigated, together with how different elements are to be brought together to identify the housing requirements	The work will take account of govt guidance when published and the requirements in the NPPF.
		The requirement for the work to use methods that can be readily scrutinised rather than to rely upon impenetrable ‘closed box’ techniques, and hence be fit for use in a participatory planmaking environment	Noted and supported – the output and methodology will be transparent
		The need to be very clear on the difference between scenarios – something which may come about under certain assumptions, but cannot be created by the policies set out in development plans – and options, which are alternative achievable routes that the local authorities can choose between. The reference at 2b of Appendix 1 to ‘zero net migration’ is an indication that this distinction is not necessarily understood.	Clarification will be provided in the draft brief.
		The document is correct in its distinction between evidence and policy, and what is envisaged is clearly intended to form robust evidence to be drawn upon by policy makers. Our experience of many of these types of studies however – for one authority or for several authorities by joint commission - is that this vital distinction between objective evidence and political policy making becomes blurred.	The SHMA will be a technical piece of work. This evidence base will inform policy preparation.

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		<p>There is history in the West of England too; not one of the four core strategies recently examined or at examination is based on a clearly stated and objectively assessed housing requirement, as opposed to preferred supply, notwithstanding the clear direction on this point from the National Planning Policy Framework. Similarly none of the four core strategies for the West of England make any provision to reflect cross boundary issues</p>	<p>The West of England have well established joint working arrangements and a continued commitment to joint working. This is evidenced by the Duty to Cooperate workstream, and this consultation.</p> <p>The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and the appropriate timetable (informed by the Census TTWA information).</p>
		<p>There are some encouraging signs in the consultation document. Para.2 says that the work, 'will inform policy makers of the context of decisions on the quantum of housing to be planned for, the type of housing that is required and <u>where it should be developed</u> to best meet the needs of our local communities <u>now and in the future</u>'. The emphasised parts (our addition) are particularly welcome.</p>	<p>Noted</p>
		<p>Less encouraging is the text at para.10 that says (with our emphasis again) '<i>Individual authorities will require appropriate evidence to draw on and inform them of how they may determine their sustainable locally derived housing targets, and <u>to make choices based on their own strategic objectives.</u></i>' the failure thus far to make enough housing provision through positive planning in the West of England is precisely because of the individual local authorities' propensity to 'make choices based on their own strategic objectives', with these objectives all too readily determined by the influence of vociferous groups unrepresentative of the present communities, let alone future communities.</p>	<p>This reference refers to policy choices having to take into account a range of factors.</p>
		<p>The joint commissioning of the SHLAA has to represent a step change in how things are done in the West of England if there is to be proper spatial planning in the future, as well as for the legal and soundness tests emanating from the 'duty to cooperate' to be met. The work proposed is potentially part of the means to achieve this, but this will only be so if the briefing and management processes promote rather than inhibit this shift.</p>	<p>The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA.</p>

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		<p>The proposed Reference Group is potentially a valuable mechanism and particularly so if there is representation from bodies with widely differing roles and perspectives.</p> <p>More fundamentally the work commissioned has to address where development should go as well as how much development is required. This will produce different results than thinking in terms of districts and administrative boundaries. The requirement figures for individual districts then flow from casting the net of administrative boundaries over the pattern of settlements and development needs, and seeing where the required provision happens to lie</p> <p>The relationship with the Local Plans of each of the four authorities is a very important issue. This is not explained in the document. It may not be a matter for the briefs to be prepared for the work to be commissioned, but it is certainly something that the four authorities have to be prepared to explain and which should be made known to stakeholders, and so should be set out now.</p> <p>The SHMA now being considered and if properly done should be the evidence used for the core strategies at examination. If not the core strategies must fail by a combination of not using up to date evidence in a recent SHMA and not being based on work undertaken across administrative boundaries by the local authorities within the housing market area.</p>	<p>Noted-the intention is for the housing Market Reference Group to have wide representation</p> <p>Noted.</p> <p>The intention is to produce an NPPF compliant SHMA to inform future local plan reviews.</p> <p>The intention is to produce an NPPF compliant SHMA to inform future local plan reviews.</p>
		<p>Reference Group</p> <p>The establishment of a Housing Market Reference Group to act as a critical friend to the project group with a remit to be challenging in its approach is a good idea – and indeed such an approach is essential if the work is to be adequately informed from different perspectives and to carry the credibility needed for it to be used. With all of its knowledge of housing requirements and markets, and with all of its interests in the West of England, Taylor Wimpey is happy to offer to be part of the Reference Group and indeed makes a strong request to be included.</p>	<p>Noted-Taylor Wimpeys expression of interest has been recorded.</p>
		<p>Taylor Wimpey welcomes the initiative by the four local authorities as far as it goes, but is yet to be completely convinced that the four local authorities are serious about and committed to having the job of obtaining objective evidence on how much housing is required of what type and where it needs to be provided, done properly.</p>	<p>The West of England Authorities are committed to engaging with neighbouring authorities and stakeholders to ensure a robust SHMA.</p> <p style="text-align: right;">12</p>

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6	Barton Wilmore on behalf of Taylor Wimpey UK Ltd and Bovis Homes	Without evidence prepared at a strategic level to objectively assess the housing needs of the West of England, the four Local Authorities have dramatically cut the level of housing planned for the area from the level which was evidenced and established through the emerging RSS.	The Draft RSS was not adopted and has been revoked. The NPPF requires LPAS to identify objectively assessed need.
		There is no acknowledgement of the agreed aspiration of all West of England Authorities to achieve the LEP target of at least 95,000 additional jobs by 2031 and the need to put measures in place to achieve this target as soon as possible if this target is to be achieved.	The West of England Authorities have acknowledged the ambition of the West of England LEP as highlighted in the Strategic Framework.
		We have made representations throughout the preparation of each Local Authorities Core Strategy stressing the need for joint working between all the West of England Authorities to properly assess the housing needs of the West of England as required to meet demographic and economic growth.	Noted
		Our primary concern is with Paragraph 13 of the SHMA Pre-Production Brief, which implies within the 'Scope' that opportunity exists to redefine the sub-regional (or strategic) housing market area. We would caution against this for the following reasons: 1. The West of England Sub-Region, is a long standing recognised strategic housing market area, evidenced by previous studies. Until the 2011 Census data is published in full it will not be possible gain a more up to date understanding of the housing market areas. 2. Notwithstanding what this new evidence might show, the West of England sub-region functions as one economic area with each of the local authorities contributing to the growth aspirations agreed within the LEP. 3. The fact that the West of England is a coherent economic area and the correct footprint for growth led strategic planning policy is confirmed through West of England LEP's successful City Deal	The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and on what geographical basis (informed by the Census TTWA information).

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		<p>We therefore strongly recommend that this opportunity to revise the housing markets area boundaries is removed from the scope of the document.</p>	<p>The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and on what geographical basis (informed by the Census TTWA information).</p>
		<p>Paragraph 10 of the Pre-production Brief states that the SHMA will detail ‘ranges of housing requirement at the West of England level and Unitary Authority level’ . The SHMA is an evidence base document and its purpose is to present data on objectively assessed needs, not to present a range of policy-driven options. Whilst it may be appropriate to test demographic and economic projections, it is important that the definition of the scope of the SHMA accurately reflects the NPPF plan-making guidance and does not allow for each Council to ‘cherry pick’ the housing requirement that best fits their existing plan. Similarly the SHMA outputs should be closely aligned to the outputs provided for in Figure 1.1 and 1.2 DCLG SHMA – Practice Guidance (2007).</p>	<p>The SHMA will as set out in the pre-production brief be a technical piece of work to objectively assess need. It is appropriate to test a range of scenarios.</p> <p>The SHMA will be carried out in accordance with the expectation of NPPF and any forthcoming government guidance</p> <p>The existing West of England SHMA followed the 2007 CLG guidance (as reported in the Ecotech study of SHMAs, the West of England had the highest score for meeting the requirements of the 2007 guidance).</p>
		<p>We are also concerned at the use of the term ‘locally derived housing targets ’ (also paragraph 10). The concept of ‘locally derived housing targets ’ is antithetical to the purpose of preparing a SHMA at a housing market area (rather than LPA) level and the NPPF’s guidance on planning strategically across local boundaries. This wording should therefore be defined with reference to the SHMA, or deleted.</p>	<p>The SHMA will be carried out in accordance with the expectation of NPPF and any forthcoming government guidance</p>
		<p>paragraph 11 states that the SHMA ‘will not set housing numbers’ and will be ‘technical work to inform policy ’ rather than set policy itself. While we do not object to these statements, it would again be helpful if the definition of the scope of the SHMA acknowledged the DCLG guidance, in particular the requirement that the SHMA’s ‘Assumptions, judgements and findings are fully justified and presented in an open and transparent manner’. The SHMA is not intended to be merely a piece of ‘technical work’ but to provide a clear and transparent evidence base for plan-making.</p>	<p>Noted and supported – the output and methodology will be transparent</p>

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		A further area of concern is the proposed programme timetable. The Preproduction Brief envisages that the draft SHMA report will be issued in 2015. In our view this timetable is far too long.	The West of England Authorities are committed to engaging with neighbouring authorities on the best way to undertake the SHMA and the appropriate timetable (informed by the Census TTWA information).
		Updated Housing Market Area evidence is needed now as part of the local plan process in North Somerset and B&NES. Unless the timetable for production of the SHMA is expedited, LPAs will continue to lack up-to-date relevant evidence to inform the plan-making process. Delay would also undermine effective positive planning and cooperation across local boundaries and retain the current position of each LPA seeking to minimise housing provision with no Authority recognising the need to address the unmet needs from neighbouring authorities	Noted – the intention is to produce an NPPF compliant SHMA to inform future local plan reviews.
7	English Heritage	To ensure suitable and deliverable sites are promoted an early recognition of the relative significance of heritage assets and their settings potentially affected must be determined to avoid uninformed options, inappropriate allocations and raised exaggerated expectations.	Noted
		It is vital that a crude assessment of for example individual heritage assets is avoided. Historic area character, landscape setting and undesignated heritage assets are matters often overlooked with negative downstream implications. The involvement of heritage expertise in the assessment process is therefore crucial.	Noted
8	The Cohousing Forum	I am interested in self build and custom build and particularly group forms of resident lead housing. Are there likely to be any consideration to the needs of people who would like to be involved in the making of their own homes and neighbourhoods? There are many challenges to getting schemes like these off the ground. Some of those challenges could be addressed by public policy changes and changes to the implementation approaches. How would one get this recognised in the strategic housing market assessment?	Appropriate models of housing options will be considered in the context of the requirements of any emerging guidance and the NPPF. The SHMA will provide an evidence base rather than propose methods of delivery.

Appendix 2: Initial views / comments raised by Joint Scrutiny at their meeting on 7th June 2013 on the SHMA.

- Given the requirement to accommodate those wishing to pursue self- build opportunities, the evidence base will need to reflect this. Will the SHMA address this issue?
- Regular progress to be reported to Joint Scrutiny.