Response - Matter 21 – the objective assessment of housing need ('the OAN') and the housing requirement

Name of Representor: Barry Brown & Clare Brown

Date: 09 September 2020

INTRODUCTION:

Matter 21's concluding statement by the Inspector is:

'As I understand it, the Council (NHDC) intends that the housing requirement should be modified in the light of the revised OAN calculations, and that an overall requirement of 13,000 dwellings is proposed, comprising of 11,600 to meet North Hertfordshire's needs and 1,400 to help address unmet needs in Luton.'

Previously three 'East of Luton' sites were proposed for NHDC to deliver 1,950 new homes to assist in addressing the unmet housing needs of Luton Borough. The unmet housing need figure would now seem to have been adjusted downwards but, the basis for this has not been provided as far as I can see.

However, it is the contention in this statement, that Luton Borough's housing needs as defined in the 2011 – 2031 Housing Strategy, have and will be completely met by housing already built in the period stated, and housing schemes already in motion and NO NEED EXISTS for NHDC to assist with 1400 homes.

Overview of our contention:

- The LBC housing strategy is predicated on inaccurate population growth forecasts in the Luton area over the strategy period from 2011 2031
- The delivery against these strategies thus far bears no relation to the reality of what has happened i.e. 15296 homes have already been approved, leaving 2500.
- There is overwhelming evidence of brownfield site capacity to meet housing demand
- There are considerable new housing developments available from CBC (7000 homes) that will significantly affect the overall position and completely address any unmet need without having to resort to the NHDC contribution.

ADDRESSING THE INSPECTOR'S QUESTIONS:

21.4 Has the indicative OAN figure for Luton been arrived at correctly/on a robust basis and are the key assumptions made reasonable?

21.5 In the light of this, has there been a 'meaningful change in the housing situation' in Luton?

21.6 If there has been a 'meaningful change in the housing situation' in Luton, should the East of Luton sites be modified or deleted from the Local Plan?

The above questions are assessed as follows:

- What is the stated LBC housing strategy and numbers that drive the unmet need that NHDC intends to provide?
- What has changed regarding population growth forecasts in the LBC area
- What housing has actually been built and approved by LBC in the housing strategy reference period of 2011 – 2031
- What additional housing will be provided by Central Bedfordshire Council towards the unmet need

RESPONSE: What is the stated LBC housing strategy and numbers:

This alleged unmet need is described within the **Luton BC 2011-2031 Housing Plan, issued in November 2017,** where the needs are summarised as follows:

2011 – 31 LBC Housing strategy says housing need for 20 years is 17800 (+150)

Delivered by	Old	Revised
Luton BC (LBC)	8500	8500
Central Beds Council (CBC)	7350	7350
NHDC – East of Luton for LBC	1950	1400
NHDC own build East of Luton	150	150
	17950	17400

The figures above are therefore achieved with contribution from CBC and NHDC.

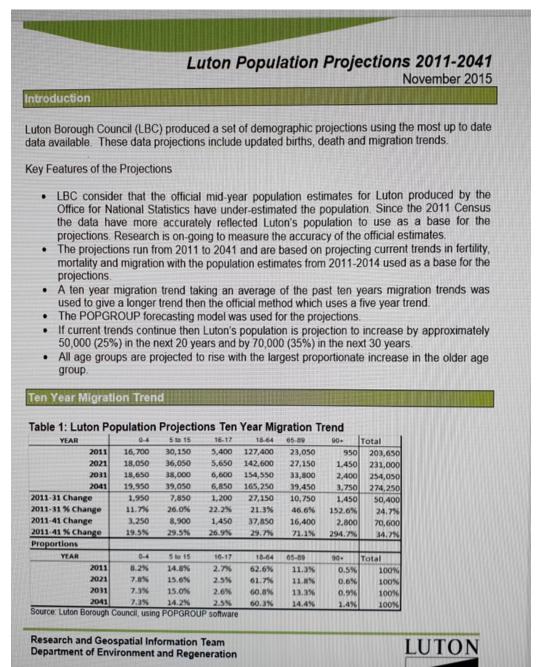
The CBC 7350 and the NHDC 1400 achieves/exceeds the quoted figure of 9300, now revised to 8200. Additionally, the strategy breaks down Luton's housing needs further as follows, which has not been revised, to our understanding. Below the Council's figure of 17800 homes needed are the results of the analysis of all homes approved by the LBC Planning Department from 2011 to August 2020. This will be commented on later in this statement.

Derived from Page	erived from Page 56/57 of LBC 2011 - 2031 Housing Strategy (November 2017)								
Dwelling Mix	Market		Affordable			LBC figure:			
	%	Figure	%	Figure	Combined Figure	Delivered by 2016			
1 bed flat	1.5	160	3.6	255	415	917			
2 bed flat	1	110	17.2	1220	1330				
2 bed house	13.1	1395	15.8	1135	2530	675			
3 bed house	69.6	7400	49	3520	10920	255			
4 bed house	12.3	1310	14.9	1070	2380	274			
5 bed house	2.1	225	0	0	225				
TOTAL	99.6	10600	100.5	7200	17800	2121			
Comparison with	data drawn i	from LBC's	Planning Por	tal from 20)11 - 2020 (to Augu	st)			
Homes approved:									
1 bed home	4073								
2 bed home	3191								
3 bed home	714								
4 bed home	284								
Unspecified*	7664								
TOTAL	15926								
* e.g. Hayward Tyle	r site is descri	bed as 1000	residential un	its					

So, taken with any post-Covid-19 lockdown revisions, these documents, produced by and on behalf of LBC represent the strategy for the medium and long term.

RESPONSE: what has changed regarding population growth?

LUTON – POPULATION GROWTH: housing studies must take account of the Luton's population growth via people moving into the area and birth rate. I am concerned that erroneous and out of date data has been used in such analysis. In this respect the following research highlights how much forecasts have changed in the last 5 years.



- A research & geospatial study in 2015 by the Luton Dept of the Environment and Regeneration concluded that between 2011 – 2031 Luton's population would grow by 24.7% or 1.2% pa on average – a total of 50400 people in that period.
- A Luton Inclusive Growth Commission Population and Demographics study in 2017 by the LBC Service Director, Policy, Communities and Engagement Luton's concluded population is projected

to increase by 17 per cent in next 20 years, with its fastest increase in the elderly population i.e. significantly at odds with the study above.

Extract from 2017 presentation

Luton Inclusive Growth Commission Population and Demographics

Nicola Monk Service Director, Policy, Communities and Engagement

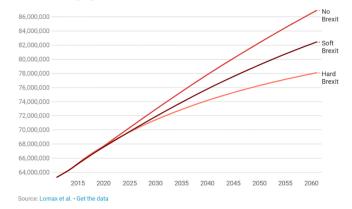
Population Summary

- Luton's current population is 214,700
- \bullet Luton is a super-diverse town and one of only three majority non White British towns in the UK
- Luton has a large South Asian population and a growing Eastern European population
- Luton has the 3rd youngest population in the country
- \bullet High population churn with approximately 50% of population either not born or not living in Luton at the time of the 2011 Census
- Luton's population is projected to increase by 17 per cent in next 20 years, with its fastest increase in the elderly population
- ONS figures released on 9th April 2019 show that Luton's population is projected to grow by 10.1% (0.63% pa and 21900 people) between 2016 and 2031, again at odds with the previous two studies.

2016-based	subnational population p	projections																
Table 2: Loc	cal authorities and higher	r administrative areas w	vithin England															
Five year ag	ge groups, persons																	
Figures in t	thousands (to one decima	al place)																
CODE	AREA	AGE GROUP	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
E06000032	Luton	5-9	16.7	17.2	17.4	17.7	17.9	18.0	17.8	17,7	17.5	17.4	17.2	17,1	17.0	16.9	16.8	16.7
E06000032	Luton	10-14	14.2	14.6	15.2	15.7	16.0	16.4	16.9	17.1	17.3	17.5	17.6	17.4	17.3	17.1	17.0	16.8
E06000032	Luton	15-19	13.2	13.3	13.4	13.4	13.8	14,1	14.5	15.1	15.5	15.8	16.2	16.7	16.8	17,1	17.2	17.3
E06000032	Luton	20-24	14.6	14.5	14.4	14.3	14.3	14.3	14.2	14.1	14.1	14.4	14.7	15.0	15.6	16.0	16.3	16.6
E06000032	Luton	25-29	18.0	17.5	17.1	16.9	16.5	16.1	15.9	15.8	15.5	15.4	15.3	15.2	15.1	15.0	15.2	15.5
E06000032	Luton	30-34	19.0	19.2	19.1	18.9	18.7	18.4	17.9	17.6	17.4	17.0	16.6	16.5	16.3	16.1	16.0	15.8
E06000032	Luton	35-39	16.0	16.6	17.4	17.7	18.0	18.2	18.3	18.2	18.1	17.9	17.6	17.3	17.0	16.8	16.5	16.2
E06000032	Luton	40-44	13.8	13.8	14.0	14.6	15.0	15.4	15.9	16.5	16.8	17.0	17.2	17.2	17.2	17.1	17.0	16.8
E06000032	Luton	45-49	13.3	13.4	13.2	13.1	13.2	13.3	13.3	13.4	13.9	14.3	14.7	15.2	15.7	15.9	16.1	16.2
E06000032	Luton	50-54	13.2	13.2	13.2	13.1	13.0	13.0	13.0	12.9	12.8	12.8	12.9	12.9	13.0	13.4	13.8	14.2
E06000032	Luton	55-59	10.8	11.3	11.7	12.1	12.4	12.6	12.5	12.6	12.5	12.4	12.4	12.4	12.3	12.2	12.2	12.3
E06000032	Luton	60-64	8.8	9.0	9.2	9.5	9.9	10.1	10.6	10.9	11.3	11.5	11.7	11.7	11.8	11.7	11.6	11.6
E06000032	Luton	65-69	7.6	7.5	7.5	7.6	7.7	7.9	8.1	8.3	8.6	8.9	9.1	9.5	9.9	10.1	10.4	10.6
E06000032	Luton	70-74	5.8	6.2	6.4	6.5	6.6	6.7	6.7	6.7	6.8	6.9	7.1	7.2	7.4	7.7	7.9	8.1
E06000032	Luton	75-79	5.2	5.1	5.0	4.9	5.0	5.1	5.4	5.6	5.8	5.9	6.0	5.9	6.0	6.1	6.1	6.3
E06000032	Luton	80-84	4.0	4.1	4.3	4.4	4.4	4.2	4.1	4.1	4.1	4.2	4.3	4.6	4.8	4.9	5.0	5.1
E06000032	Luton	85-89	2.3	2.4	2.5	2.5	2.6	2.7	2.8	3.0	3.0	3.0	3.0	2.9	2.9	2.9	3.0	3.1
E06000032	Luton	90+	1.2	1.3	1.3	1.4	1.5	1.5	1.6	1.7	1.7	1.8	1.9	2.0	2.1	2.2	2.3	2.3
E06000032	Luton	All ages	215.9	218.0	220.1	222.0	223.8	225.4	226.9	228.3	229.6	230.9	232.1	233.3	234.5	235.6	236.7	237.8
*******	Potentian control	0.4	40.0	40.0	45.0	45.0	45.4	45.0	45.4	440	44.0	44.7	44.0	44.5	44.4	44.0	44.0	***

Although not quantified the many think tanks e.g. LSE state that all population forecasts will
require to be downgraded as a result of Brexit, arising from the reduction in immigration
numbers.

Size of UK population under different Brexit scenarios



It is accepted (Covid impact apart)that the Luton area may see the creation of up to 18000 jobs over the next 20 years (Luton Labour Party figures) but this has to be set against current and potential job losses; not the least from the impact of Covid-19 and Brexit, where January 2020 figures released by the Small Business Prices, show that London & the South East has so far lost 27000 jobs arising from Brexit, thus impacting on many Luton residents who commute to London and other SE locations. Local forecasts arising from the impact of Covid-19 point to significant job losses at Luton Airport.



Brexit Job Loss Index: 436,296 Jobs Lost As Of 31 January 2020



The Brexit Job Loss Index is an attempt to keep track of the number of jobs lost in the UK due to Brexit.

Here are the key stats (last updated 31/01/2020):

- Total Jobs Lost: 436,296
- Total Annual Wages Lost*: £12,511,660,392
- Reduction in Annual Income Tax & National Insurance Receipts**: £3,747,289,625.52

Job Losses By Region

- Scotland: 30,223
- Midlands: 26,318
- North East: 22,324
- London: 22,245
- Wales 14.265
- South West: 13,959
- North West: 9,144
- South East: 5,095
- · East of England: 5,027
- Northern Ireland: 2.555
- Gibraltar: 1,000
- Southern England: 870
- No specific region: 283,729

This is reflected in the following extract from an analysis by Unite:

'The airport is central to the region's economy. Over 27,000 jobs are sustained by the airport, including 9,400 direct jobs and 7,700 indirect jobs. Workers directly employed at the airport account for 10 percent of employment in the borough of Luton. In total, 77 percent of the airport's employees in the counties of Bedfordshire, Buckinghamshire and Hertfordshire.'

'Almost one third (29 per cent) of the airport's directly employed workforce faces redundancies which will primarily affect security guards but with office based staff and other core roles at the airport also under threat. '

Additionally, as an indication as to how hard the Luton local economy has been hit the following has been reported in The Sun and other daily newspapers:

'Today Luton is better known as the home of the UK's fifth busiest airport, with more than 18 million users in 2019.

Almost half of the town's employment (40 per cent) is linked to the travel industry, according to the council.

Holiday firm TUI has a base in Luton and has already warned that 8,000 jobs could go as it tries to cut costs by 30 per cent.'

It is abundantly clear, therefore, that population growth through an expanding local economy WILL NOT take place in line with any forecasts. Indeed, the situation faced in the Borough is that of further cuts to services arising from a £39m budget deficit, further significant job losses across the area, economic contraction, costly support for an increasing number of unemployed and large numbers of candidates chasing every job.

These are hardly the economic conditions that will stimulate the housing market in the area and raise demand to the levels necessary to sell the houses that are being built and proposed to be built.

The following statement from the Royal Institute of Chartered Surveyors in August 2020 is compelling:

'Simon Rubinsohn, the chief economist at Rics, said it had seen sharp rises in its data relating to buyer enquiries and new property listings. But he added: "There are worrying signs that this rebound may quickly run out of steam against the backdrop of a tightening in lending criteria by mortgage providers and the uncertain macro environment, particularly with regard to the employment picture."

It is therefore, important to understand the basis of any population forecast made by LBC, CBC and NHDC as, clearly this materially affects the view taken on housing to meet any growth. Any such forecast must be based on the current reality which has materially and significantly shifted as all commentators agree. It would appear, however that LBC have chosen to ignore the present reality and indeed adopt the higher figure of the three population forecasts pre Covid-19 i.e. 25%.

- 25% or 50000 population growth / 2.8 per home = 17800 whereas:
- 17% or 34620 population growth / 2.8 = 12360 homes
- 10.1% or 20360 population growth /2.8 = 7273 homes

Whilst no population studies for the Luton Borough area have been undertaken in 2020 as far as I am aware, it is clear that the impact of Covid-19 in creating a shrinking economy in Luton and the anticipated impact of Brexit in reducing migration, will serve to depress the figures referred to above. Therefore, it is essential to pause and gain a clearer picture of the emerging impact of these two factors which affect the local economy in a significant way.

RESPONSE: What housing has actually been built and approved by LBC?

The strategic requirements that have been set out in the LBC documents referred to have significant and dramatic credibility problems due to:

- Analysis of LBC all planning applications, between 2011 and 2020 to date, reveals that 6533 homes were built or authorised within LBC's area between 2011 and 2016 – not the 2121 referred to above in LBC documents.
- To date, the same analysis shows that since 2011 LBC has authorised some 15926 homes to be built in the area, just 2000 short of the 17800 in the housing strategy forecast from all sources.
- The LBC Brownfield Site Register updated in December 2019 identifies in the region of 1800
 potential additional homes to the 15265 homes (drawn from the LBC planning application portal)
 making a total of 17000 homes within LBCs control to authorise.
- Despite the strategic requirement being quoted as 420 1 bed homes, what has been delivered, to date, is over 3900 homes.
- Either LBC has deliberately ignored its own strategy or they have recognised that the emerging demand in the housing market is for smaller homes i.e. 1 and 2 bed, evidenced by the vast number of such homes (in the planning application analysis) that have been authorised the period i.e. 6800 against a defined need of 4300
- Appendix 4 of the 2011 2031 LBC Housing Plan identifies 2251 homes at 35 sites that could be built on brownfield land available but clearly 15926 homes at 1200 sites have already been identified to date, plus the further 1800 potential homes in the Brownfield Register.

A summary of a major **LBC planning application analysis** undertaken in September 2020 is below, which screened over 18000 planning applications, **identifying approximately 1200 new home** <u>sites</u> <u>and nearly 16000 permitted applications for homes between 2011 – 2020 (1,2,3,4 below = beds per home):</u>

WHAT HAS ACTUALLY BEEN DELIVERED = 15926 HOMES: See full analysis

Year/Beds	1	2	3	4	Unspecified	Total
2020	284	389	79	10	1480	2242
2019	604	876	154	122	166	1922
2018	1673	1090	206	64	0	3033
2017	325	270	34	17	1550	2196
2016	326	124	23	7	1031	1511
2015	129	100	88	35	550	902
2014	355	50	51	6	1604	2066
2013	143	67	21	12	130	373
2012	106	159	4	4	448	721
2011	128	66	54	7	705	960
	4073	3191	714	284	7664	15926

This analysis provides key information and should not be ignored! LBC's own data, publicly available shows that 16000 homes have been built or approved by the Council already as at September 2020. Against a stated housing need figure of 17400 this leaves 1400 left within the plan reference period. As will be seen below, this will significantly more than met by other housing developments under way by CBC.

RESPONSE: What additional housing will be provided by Central Bedfordshire Council towards the unmet need?

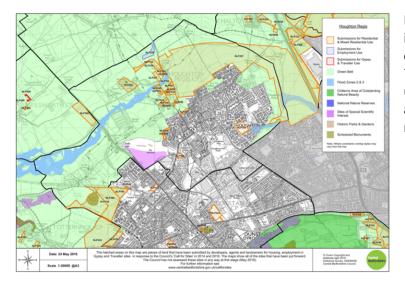
CENTRAL BEDFORDSHIRE COUNCIL CONTRIBUTION TO LBC HOUSING NEEDS

From the CBC planning portal, it is clear that Houghton Regis (HR) alone will contribute significantly to the alleged unmet Luton housing needs and indeed lead to an over provision of the order of 5500

2014 ID 2016 ID Site Name Site Address Parish Site Size GIS (in Residential Employment										
2014 ID	2016 ID	Site Name	Site Address	Parish	Site Size GIS (in hectares)	Residential	Employment	G8		
ALP144		North West Dunstable	North West Dunstable	Houghton Regis	44.0266	Yes	No	No		
ALP164		Land at Frenchs Avenue	Land at Frenchs Avenue. Dunstable	Houghton Regis	4.2617		No	No		
ALP253		The Stables	The Stables, Driveside Cottage, Bedford Road, Bidwell	Houghton Regis	1.9804	Yes	No	No		
ALP254		The Gate	The Gate, Midway Cottage, Bedford Road, Bidwell	Houghton Regis	3.7469	Yes	No	No		
ALP255		The Orchard	The Orchard, Bedford Road, Bidwell	Houghton Regis	0.848	Yes	No	No		
ALP256		The Field	The Field, Bedford Road, Bidwell	Houghton Regis	1.5156	Yes	No	No		
ALP257		The Turn	The Turn, Bedford Road, Bidwell	Houghton Regis	1.5426		No	No		
		Land north off proposed A5-M1 link								
ALP258		Road	Land north of Bedford Road, Bidwell	Houghton Regis	2.9724		Yes	No		
ALP259		Land west of Bedford Road	Land west of Bedford Road, Bidwell	Houghton Regis	4.6285	Yes	No	No		
ALP260		The Bidwell Vision	Land at Bidwell and Parcels Comprising the Bidwell Vision, Bidwell	Houghton Regis	15.1312	Yes	No	No		
ALP299		Land west of Coopers Way	Land north and west of Coopers Way and Arnold Way, Houghton Regis	Houghton Regis	1.188	Yes	No	No		
ALP307		Bidwell Gospel Hall (Dell Mount) Land at the east side of Houghton	Bidwell Gospel Hall (Dell Mount), Bedford Road, Houghton Regis	Houghton Regis	0.7763	Yes	No	No		
ALP380		Road	Land at east side of Houghton Road, Houghton Regis	Houghton Regis	0.9336	Yes	No	No		
ALP432		Highfield Barn	Land at Highfield Barn, Bedford Road, Bidwell	Houghton Regis	0.8689	Yes	No	No		
ALP481		Land off Bedford Road	Land off Bedford Road, Houghton Regis	Houghton Regis	2.2365	Yes	No	No		
	NLP024	The Bungalow	Land at the Bungalow, Bedford Road, Bidwell, Houghton Regis LU5 6JS	Houghton Regis	1.069	Yes	No	No		
	NLP040	The Orchard	The Orchard, Bedford Road, Houghton Regis LU5 6JJ	Houghton Regis	0.848					
	NLP132	Land west of Bedford Rd,	Land west of Bedford Rd, Bidwell LU5 6JP	Houghton Regis	4.62	Yes	No	No		
	NLP257	Houghton Regis North	Land between the M1 and Bedford Road , north of Houghton Regis	Houghton Regis	261	Yes	Yes	No		
		Land west of Coopers Way	North and west of Coopers Way and Arnold Way Houghton Regis LU5 5EP	Houghton Regis	0.9957	Yes	No	No		
	NLP285	Oakwell Park	Oakwell Park, Thorn Rd, Thorn Houghton Regis LU5 6JH	Houghton Regis	6.7841	Yes	No	No		
		Totternhoe	Land to the west of Beecroft off Hillcroft	Houghton Regis	19.3006		No	No		
		The Gates	Land to the North East of Bedford Rd, Houghton Regis	Houghton Regis		Yes	No	No		
		Land at Windsor Drive	Windsor Drive Houghton Regis	Houghton Regis	4.7308		No	No		
		Bidwell Farm House	Bidwell Farm House Bedford Rd Bidwell LU5 6JS	Houghton Regis	1.8754		No	No		
	NLP346	Bedford Road	Bedford Road Bidwell LU5 6JS	Houghton Regis	2.582	Yes	No	No		

homes. This will be substantially through the provision of a 7000 homes development in the Houghton Regis area including between M1 Junction 11A & the A6

In fact the CBC planning portal indicates that in the HR area some 140 hectares have been set aside for residential development, across 26 sites. The A6 – M1 portion of land within this is 2.97 hectares.



It seems clear from this that CBC is in a position to significantly over deliver on its stated contribution of 7350 homes to meet the alleged unmet housing need, given the HR area alone will provide over 7000 new homes.

OVERALL CONCLUSIONS:

- The housing strategies developed by LBC re the unmet need are fully discredited in every way.
- There is a staggering and unbelievable disconnect between the LBC strategists and those approving housing applications
- The evidence strongly suggests that the corporate 'will' of LBC/NHDC and CBC is to build 17800 homes and 1400 homes East of Luton, despite the facts and the logic that emphatically suggests otherwise i.e. a case of 'don't let the facts get in the way of a good story.'
- By virtue of the planning application analysis that we have undertaken, LBC has, unknowingly it seems, vastly over-delivered against its housing plans indicating that the figure of 9300 unmet housing need has evaporated.
- The planning analysis also reveals, importantly, the stark reality that it is small, medium, and large developers and individuals that have been seizing the initiative by identifying new opportunities for housing development and not the Authority. The housing situation is to a large extent being driven by the market and thus bucking any LBC housing strategy. Developers and individuals will continue to so this and LBC will continue to be reactive rather than proactive.
- Considerable, indeed vast potential still exists for housing development from both brownfield sites (1800 at least) and CBC development, totalling over 7000 homes. Thus, the alleged need for 1400 homes for NHDC to build east of Luton, for LBC on precious greenbelt land, is an illusion and completely unnecessary.
- The basis used by LBC to calculate strategic growth in housing i.e. population growth, is murky to say the least. The ONS figures are the most trusted and even those will need downgrading through Brexit. Thus, new forecasts are required that take into account new factors that fundamentally counter older forecasts. These earlier forecasts cannot be used and must not be used to base decisions upon regarding Luton housing needs.

- It can easily be seen that given what has happened in practice with housing development has massively outstripped any housing plans and taken away any case whatsoever for an east of Luton development of 1400 homes.
- Finally, the drastic and seismic impact of Covid-19 and Brexit upon the Luton Borough local economy cannot and must not be ignored. The economic fallout is vast, forcing LBC and many employers into emergency measures for the foreseeable future. This massive dampening of population growth and therefore, demand, plus slim chances of recovery in the years to come, DO NOT in any way fit with housing plans that were previously based on a thriving local economy.

DATA AVAILABLE:

- Planning application analysis drawn from the LBC planning portal in September 2020 https://planning.luton.gov.uk/online-applications/search.do?action=advanced
- 2019 LBC Brownfield site register
 https://www.luton.gov.uk/Environment/Planning/Regional%20and%20local%20planning/evidence-base/Pages/default.aspx
- Population growth forecast in the research & geospatial study in 2015 by the Luton Dept of the Environment and Regeneration https://www.luton.gov.uk/Environment/Lists/LutonDocuments/PDF/Planning/Census/Population%20Projection%20Scenarios.pdf
- A Luton Inclusive Growth Commission Population and Demographics study in 2017 by the LBC Service Director, Policy, Communities and Engagement https://www.luton.gov.uk/Business/Lists/LutonDocuments/PDF/LIF/population-and-demographics.pdf
- ONS figures released on 9th April 2019 on Luton's population forecast to 2031.
 https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/localauthoritiesinenglandtable2
- CBC website planning portal evidence of Houghton Regis land set aside for residential development. https://www.centralbedfordshire.gov.uk/migrated_images/north-of-luton-a3p tcm3-26954.pdf
- https://www.centralbedfordshire.gov.uk/migrated_images/houghton-regis-schedule-2016 tcm3-16462.pdf