

Cabinet Report

24 June 2015

Title	Draft Strategic Housing Market Assessment		
Purpose of the report	To make a decision		
Report Author	John Devonshire		
Cabinet Member	Councillor Vivienne Leighton	Confidential	Yes
Corporate Priority	This item is not in the current list of Corporate priorities but still requires a Cabinet decision		
Cabinet Values	Accountability		
Recommendations	To agree publication and stakeholder engagement of the draft Strategic Housing Market Assessment (SHMA) report.		

1. Key issues

- 1.1 The National Planning Policy Framework (NPPF) sets out that local authorities should prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs (paragraph 159). The Government's Planning Practice Guidance (PPG) note on *Housing & Economic Needs Assessments* sets out how SHMAs should be undertaken.
- 1.2 The Council has been working with Runnymede Borough Council on a joint SHMA study and has set up a Joint Member Liaison Group. A decision to undertake a joint SHMA was agreed by Cabinet on 30th September 2014 and the Terms of Reference for the Member Liaison Group were agreed on 24th February 2015.
- 1.3 The purpose of the SHMA is to identify the housing market area in which Spelthorne and Runnymede sit and to determine the Objectively Assessed Housing Need (OAHN) across the housing market area.
- 1.4 The draft SHMA sets out that based on travel to work data, migration and house prices/affordability, Spelthorne & Runnymede form their own local housing market area but with a degree of overlap with parts of Elmbridge, Hounslow and Woking.
- 1.5 The OAHN is based on the latest demographic and household projections published by Government which are adjusted to take account of affordability and market signals. Economic projections based on job forecast data are also considered to check the balance of job/homes.
- 1.6 Based on the demographic projections the OAHN across the Spelthorne/Runnymede housing market area is just over 1,000 net dwellings

per annum 2013-2033. This is split 459 per annum for Runnymede and 543 per annum for Spelthorne. Economic projections increase the need figure to 1,250 per annum across the housing market area split 525 per annum for Runnymede and 725 per annum for Spelthorne.

1.7 It should be noted that the OAHN figures are not housing targets and should not be treated as if they are. The Council will need to take a number of other considerations and constraints into account when determining the level of housing which the Borough could sustainably meet over the Local Plan period. Further work is also required to establish robust economic projections and therefore the higher OAHN figure should not be taken as the need figure at this time. It should also be noted that affordable housing needs are included within the OAHN figures and not in addition to them.

1.8 The Member Liaison Group has considered the draft SHMA and recommends that Cabinet agree to its publication and stakeholder involvement. A copy of the draft SHMA is available to view in the Members Room.

2. Options analysis and proposal

2.1 The SHMA will form part of the evidence base to inform the Local Plan. The PPG note on Housing & Economic Needs Assessments is clear that a range of stakeholders should be involved from the earliest stages of plan making, including the preparation of evidence in relation to development needs.

2.2 The options for Cabinet to consider are:

(i) To **AGREE** publication and stakeholder engagement of the draft Strategic Housing Market Assessment (SHMA) report;

(ii) To **NOT AGREE** publication and stakeholder engagement of the draft Strategic Housing Market Assessment (SHMA) report.

2.3 It is proposed that Option (i) be agreed by Cabinet.

3. Financial implications

3.1 There are no direct implications for the publication and stakeholder involvement of the draft SHMA report as this is already included within budget.

4. Other considerations

4.1 Officers have been undertaking further Duty to Cooperate discussions with other local authorities/bodies as part of the SHMA work. Further Duty to Cooperate discussion is likely to be required especially where housing markets overlap one another.

5. Timetable for implementation

5.1 It is proposed that stakeholder involvement feeds back into the final SHMA report before publication summer/autumn 2015.

Background papers: None

Appendices: None