

Cambridgeshire & Peterborough Joint Strategic Planning Unit

Agenda Item No: 5i)

Memorandum of Cooperation – provision of additional housing

To: Joint Strategic Planning & Transport Member Group

Date: 10th May 2013

From: Joint Strategic Planning Unit Manager

Purpose: To set out the objectively assessed need for additional housing to 2031 (and 2036) required by national planning policy to inform local plans; and to endorse formally the co-operation between authorities on the levels of provision to meet this need.

Recommendation That Members recommend to the local authorities in the Housing Market Area the level of provision of additional housing to 2031 (or 2036) based on the objectively assessed need and Duty to Co-operate, reflected in the attached joint statement.

Contact:	Name: Job Title: E-mail address: Telephone No.	John Williamson Manager, JSPU john.williamson@scambs.gov.uk 07967 543755
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1. Introduction

- 1.1 This agenda item focuses on the outputs from collaborative working between local authorities to assess future housing needs. This evidence is required by national planning policy to support local plan preparation. Collaboration in accordance with the Duty to Co-operate has taken place between all authorities in the Cambridge Housing Market Area, together with Peterborough City Council.

2. Background

- 2.1 The National Planning Policy Framework (NPPF) requires local planning authorities to have a clear understanding of housing needs in their area. To achieve this, they should prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The SHMA should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period. This is a key part of the evidence base to address the NPPF requirement of ensuring that local plans meet the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in the Framework.
- 2.2 The Cambridge Housing Market Area includes the five Cambridgeshire districts plus Forest Heath and St Edmundsbury districts in Suffolk. Due to its historic and functional ties with Cambridgeshire, plus its own housing market area overlapping with the Cambridge Housing Market Area, Peterborough City Council has also collaborated on this work with the other local authorities.
- 2.3 These eight authorities have collaborated in recent months to meet the requirements of the NPPF. The outputs from this collaboration are a new chapter of the SHMA, which identifies the scale and mix of housing needed across the area by 2031 (and extending to 2036 for Huntingdonshire to meet its proposed local plan end date).
- 2.4 The outcome of this work is that an additional 93,000 homes are forecast to be needed across the housing market area between 2011 and 2031, as set out in the table below. An overview of the evidence from which this figure is derived will be presented under Agenda Item 4.

Objectively assessed all dwelling need 2011 to 2031

	Objectively assessed need 2011 to 2031
Cambridge	14,000
East Cambridgeshire	13,000
Fenland	12,000
Huntingdonshire	17,000 (21,000 to 2036)
South Cambridgeshire	19,000
Cambridgeshire	75,000
Forest Heath	7,000
St Edmundsbury	11,000
Housing sub-region	93,000

Source: Strategic Housing Market Assessment

3. Duty to Co-operate

- 3.1 The Localism Act 2011 places a Duty to Co-operate on local planning authorities. This requires them to engage constructively, actively and on an on-going basis in the preparation of development plan documents where this involves strategic matters. National policy in the NPPF adds to this statutory duty as it expects local planning authorities to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts.
- 3.2 As already noted, Peterborough has a functional geographic relationship with Cambridgeshire, which is reflected in a history of joint working, notably on strategic spatial planning. Peterborough is the largest urban centre within the travel to work area for the Cambridgeshire sub-region and is a major employment location with good transport links and infrastructure. It has adopted plans for the period 2009 – 2026, which include an additional 25,500 houses.
- 3.3 Under the Duty to Co-operate, the local authorities have collectively acknowledged that Peterborough, through its ambitious growth plans, has already accommodated a proportion of the housing need arising in the Cambridge Housing Market Area, amounting to approximately 2,500 homes.
- 3.4 Separately, Fenland and East Cambridgeshire District Councils have made considerable progress to date with their local plan reviews and, therefore, have established a good understanding of their areas' development opportunities and constraints. The July 2012 joint statement by Peterborough and the Cambridgeshire authorities confirmed that the 'strategy is to secure sustainable development by locating new homes in and close to Cambridge

and Peterborough and to other main centres of employment, while avoiding dispersed development’.

- 3.7 Therefore, based on this background and the co-operation between authorities, it is proposed that, in their Local Plans, provision should be made for 11,000 dwellings in Fenland and 11,500 dwellings in East Cambridgeshire, rather than the full identified need set out in the table above. This leaves 90,500 dwellings to be provided in the Cambridge Housing Market Area to ensure that the full objectively assessed need for housing in the Area will be met in forthcoming Local Plan reviews. The details of these figures are set out in the table below.

	All dwelling provision 2011 to 2031
Cambridge	14,000
East Cambridgeshire	11,500
Fenland	11,000
Huntingdonshire	17,000 (21,000 to 2036)
South Cambridgeshire	19,000
Cambridgeshire	72,500
Forest Heath	7,000
St Edmundsbury	11,000
Total	90,500

4. Recommendation

- 4.1 While this Joint Member Group has no formal decision-making powers, it is an appropriate body to endorse collectively the co-operation that has taken place between authorities. It will be for individual authorities to determine housing targets in their local plans, taking account of the requirements of national policy and local circumstances.
- 4.2 Accordingly, Members are invited to agree that the above levels of housing provision are recommended to the authorities in the Housing Market Area - reflecting the objectively assessed need and co-operation over provision - and that the attached joint statement is agreed now as a way of formally recording the co-operation that has taken place.

Appendix 1

Objectively Assessed Need for Additional Housing – Memorandum of Co-operation between the local authorities in the Cambridge Housing Market Area

1.0 Introduction

- 1.1 The National Planning Policy Framework (NPPF) requires local planning authorities to have a clear understanding of housing needs in their area. To achieve this, they should prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The SHMA should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period¹. This is a key part of the evidence base to address the NPPF requirement of ensuring that Local Plans meet the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in the Framework².
- 1.2 The Localism Act 2011 places a Duty to Co-operate on local planning authorities³. This requires them to engage constructively, actively and on an on-going basis in the preparation of development plan documents where this involves strategic matters. National policy in the NPPF adds to this statutory duty as it expects local planning authorities to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts.

2.0 The Cambridge Sub-Region Housing Market Area

- 2.1 The Cambridge Sub Region Housing Market Area comprises all five Cambridgeshire districts (Cambridge City, East Cambridgeshire, Huntingdonshire, Fenland and South Cambridgeshire), plus the west Suffolk districts of Forest Heath and St Edmundsbury. Due to its historic and functional ties with Cambridgeshire, plus its own housing market area overlapping with the Cambridge Housing Market Area, Peterborough City Council has also collaborated with these local authorities.

3.0 Demonstrating the Duty to Co-operate

- 3.1 The seven districts within the housing market area, together with Peterborough City Council, have collaborated in recent months to meet the requirements of the NPPF set out in section 1.0. The outputs from this collaboration are a new chapter of the SHMA, which identifies the scale and mix of housing needed across the area by 2031 (and extending to 2036 for Huntingdonshire to meet its proposed local plan end date). Integral to this is a separate Technical Report, which provides an overview of the national, sub-national and local data drawn upon to inform the levels of housing need set out in the SHMA.

¹ National Planning Policy Framework, paragraph 159.

² NPPF, paragraph 47.

³ Localism Act 2011, section 110.

- 3.2 The outcome of this work is that an additional 93,000 homes are forecast to be needed across the housing market area between 2011 and 2031. The table below sets out the breakdown of this total figure in more detail.

All dwelling change 2011 to 2031	
District	All dwelling change 2011 to 2031
Cambridge	14,000
East Cambridgeshire	13,000
Fenland	12,000
Huntingdonshire	17,000 (21,000 to 2036)
South Cambridgeshire	19,000
Cambridgeshire	75,000
Forest Heath	7,000
St Edmundsbury	11,000
Housing sub-region	93,000

Source: Strategic Housing Market Assessment

- 3.3 In determining housing targets in their local plans, local authorities should take account of the requirements of national policy and local circumstances.
- 3.4 In this regard, it should be noted that the Peterborough housing market area overlaps into Cambridgeshire. Peterborough is the largest urban centre within the travel to work area for the Cambridgeshire sub-region and is a major employment location with good transport links and infrastructure. On the basis of currently available figures, it has a net daily in-commute from Cambridgeshire of around 7,000 people. Peterborough has an up to date Local Plan (Core Strategy adopted in 2011 and a Site Allocations DPD adopted in 2012) with a substantial housing growth target of 25,450 between 2009-26.
- 3.5 Based on this background and engagement between all the local authorities listed in section 2.0, under the Duty to Co-operate, it is acknowledged by the authorities that Peterborough, in its up to date Local Plan, has already accommodated a proportion of the housing need arising in the Cambridge Housing Market Area, and it has been agreed that this proportion could reasonably be assumed to amount to approximately 2,500 homes (i.e. around 10% of its overall housing target).
- 3.6 Separately, Fenland and East Cambridgeshire District Councils have made considerable progress to date with their local plan reviews and, therefore, have established a good understanding of their areas' development opportunities and constraints. They have also taken account of the July 2012 joint statement by Peterborough and the Cambridgeshire authorities which confirmed that the 'strategy is to secure sustainable development by locating

new homes in and close to Cambridge and Peterborough and to other main centres of employment, while avoiding dispersed development⁴.

- 3.7 Based on all of the above, and agreement between all the local authorities working within the Duty to Co-operate, it has been agreed that, in their Local Plans, provision should be made for 11,000 dwellings in Fenland and 11,500 dwellings in East Cambridgeshire, rather than the full identified need set out in the table above.
- 3.8 Overall, and taking account of the 2,500 dwelling element of the Cambridge HMA's need already met in Peterborough's Local Plan, this leaves 90,500 dwellings to be provided in the Cambridge HMA to ensure that the full objectively assessed need for housing in the Cambridge HMA will be met in forthcoming Local Plan reviews. The level of provision to be made by district is set out in the table below.

All dwelling provision 2011 to 2031

District	All dwelling provision 2011 to 2031
Cambridge	14,000
East Cambridgeshire	11,500
Fenland	11,000
Huntingdonshire	17,000 (21,000 to 2036)
South Cambridgeshire	19,000
Cambridgeshire	72,500
Forest Heath	7,000
St Edmundsbury	11,000
Total	90,500

4.0 Conclusion

- 4.1 The purpose of this memorandum is formally to record and make public the local authorities' agreement under the Duty to Cooperate to the position as set out in this Memorandum, subject to ratification by their full Council as part of their individual Local Plan preparation.
- 4.2 The eight authorities that form signatories to this memorandum agree, therefore, that the figures in the table above (and taking account of provision already met within Peterborough) represent the agreed level of provision by district in order to meet the overall identified need for additional housing within the Cambridge Sub Region Housing Market Area.

⁴ Joint Statement on the Development Strategy for Cambridgeshire and Peterborough by the local authorities, July 2012.