



## **Matter 5**

Objectively assessed need for housing (OAN) (LP 2 and section 4) and any uplift to meet affordable housing needs'

The Inspector has agreed the AWEL/GPL contribution to **Matter 5 question 15 - 18** covered by this Statement (M5) is to be heard at the Examination on **27 September 2016 during Matter 7.**

**Arnold White Estates Ltd  
(955824)**

## **EXAMINATION STATEMENT**

**Luton Borough Plan**

**Stage 2 Hearings**

<b>Project reference</b>	GP 034	<b>Date</b>	24 August 2016
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**Gardner Planning Ltd**

**Down Ampney  
Bendlowes Road  
Great Bardfield  
Essex  
CM7 4RR**

**07887 662166  
geoff@gardnerplanning.com**

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## **Appendices**

- 1. ORS Report Luton HMA plan**
- 2. AWEL detailed HMA boundary around Leighton Linlade**
- 3. HMA Study by GL Hearn**
- 4. Checkley Wood Plans**



## **1. INTRODUCTION**

- 1.1. Gardner Planning Ltd (**GPL**), on behalf of Arnold White Estates Ltd (**AWE**), has been invited to participate in the Luton Local Plan (**LLP**). This Statement responds to the Inspector's matters and questions for Matter 5 set out in the note of 29.7.16. GPL made representations dated 4.12.15 to the LLP Pre-Submission Plan.
- 1.2. AWE is a developer with land holdings in Central Bedfordshire including a strategic site known as Checkley Wood Garden Village to the north of Leighton Linlade, where a mixed use development including a capacity for 4,500 homes is being promoted. Location plans and masterplan are attached as Appendix 4. This site is within Central Bedfordshire, is largely previously used land through quarrying, and is one of very few sites which has the potential to serve the unmet housing needs of Luton in the wider Housing Market Area.

## **2. OTHER QUESTIONS FOR MATTER 5**

- 2.1. AWEL's interest is in the contribution for Luton's unmet housing that needs to be made in Central Bedfordshire. This Statement notes that there are many other detailed questions on housing need and many representors well able to debate this issue, if necessary.
- 2.2. Other than Questions 15 - 18, we do not wish to participate in later sections of Matter 5 of the Examination, other than observing that this seems to be a joint issue for Luton and Central Bedfordshire and will either need to be examined again as part of the Central Bedfordshire Local Plan process, or a decision taken now that it will not be part of the Luton Examination beyond what capacity Luton has for its unmet housing needs. So long as need



exceeds capacity, the quantification of that need seem to have a much greater impact on Central Bedfordshire.

### 3. QUESTION 15

*Has the Luton functional HMA (which includes all of Luton, a large part of Central Bedfordshire and parts of North Hertfordshire and Aylesbury Vale) been correctly defined?*

- 3.1. The Luton HMA is not defined in the Luton LP. The ORS Report<sup>1</sup> has defined the LHMA and this is shown in Appendix 1 to this Statement<sup>2</sup>.
- 3.2. This Statement focusses on how the Checkley Wood site fares in the ORS study, because this is a location for an innovative Garden Village Development which includes 4,500 homes that could make a major contribution to Luton's unmet housing needs. There are very few appropriate and sustainable sites in Central Bedfordshire of this scale and quality which can fulfil this need.
- 3.3. Checkley Wood Garden Village has the following advantages:
  - a. Within the area where there is an acute need for substantial new housing, well connected to Luton by the new A5/M1 link and within the Luton Housing Market Area<sup>3</sup>.

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<sup>1</sup> HOU003d Housing Market Areas in Bedfordshire and surrounding areas, Report of Findings, ORS, December 2015

<sup>2</sup> Figure 38: Functional Housing Market Areas with Local Authority Boundaries p47

<sup>3</sup> Report by GL Hearn February 2016, attached as Appendix 3



- b. Utilisation of brownfield and damaged land which has resulted from extensive mineral working in the area - this is more sustainable than developing virgin greenfield land.
  - c. Within a despoiled landscape where a well-designed and landscaped development, with a garden village character, will improve the appearance of the area.
  - d. It is largely within single ownership, held by an experienced and local developer.
  - e. It satisfies the criteria set out in the DCLG prospectus 'Locally Led Garden Villages, Towns and Cities (DCLG 2016), and should be jointly promoted by CBC/LBC.
  - f. Includes a substantial leisure/holiday complex - Woburn Lakes - which will include a wildlife reserve, woodland, open space, meadows and wet habitats. This is a real and substantial asset for the site and the identity/economy of the sub-region.
- 3.4. It is understood that the LBC/CBC Joint Growth Options Study will initially be looking at sites within the defined ORS Luton HMA. This seems to exclude most of Checkley Wood. This would be a missed opportunity based on not much more than a small 'fuzzy' plan in the ORS Report, with (possibly) a precision given to boundaries that does not reflect their intention or reality. ORS says that "*boundaries that have been identified for the commuting zones are likely to be relatively imprecise, especially in areas that are currently less populated*"<sup>4</sup>.

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<sup>4</sup> HU003d ORS Dec 15 para 3.23



3.5. Appendix 2 includes the plan of the HMA boundary. A larger scale plan than that in the ORS Study is also included in order to illustrate the absurdities trying to fit an HMA boundary too precisely. It can be seen that the ORS Study itself includes part of the Checkley Wood site. The subsequent work undertaken by G L Hearn, having regard to the A5/M1 link, places the whole of Checkley Wood within the HMA boundary. The purpose of excluding Leighton Linlade is referred to later but clearly affects the mapping - even so newly approved (2015) urban extensions to the east of Leighton Linlade seem to fall within the ORS Luton HMA.

3.6. Planning Practice Guidance para 11 identifies three main factors in defining Housing Market Areas:

- *House price and rates of change in house prices*
- *Household migration and search patterns*
- *Contextual data (for example travel to work area boundaries, retail and school catchment areas)*

3.7. ORS concluded that 'Leighton Buzzard' is:

*in the Luton migration zone but in the Milton Keynes commuting zone and Milton Keynes [Broad Rental Market Area] BRMA; so the area is allocated to the Milton Keynes functional HMA*

3.8. AWE commissioned GL Hearn to review that study, and publish its own Report<sup>5</sup>, which concluded:

*2.12 This process which ORS undertook (following consultation) resulted in the Leighton Linlade area being re-designated on a [Middle Super Output Area] MSOA basis rather than as a whole (as it is effectively 'de-designated as an employment centre in its own right'). In the consequent analysis, the Leighton Linlade area falls within the Milton Keynes Commuting Zone, although the Checkley Wood area falls within the Luton Commuting Zone (at 72% self-containment rate).*

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<sup>5</sup> Appendix 3 GL Hearn Feb 2016 Leighton Linlade and Checkley Wood HMA Report



*2.13 The ORS work recognises that the use of MSOA in less populated areas (including Checkley Wood) results in TTWA boundaries as being “relatively imprecise”. As such a simplified (although finer grain) analysis is then run using Census Output Areas (OA). This sought to identify firstly areas where 50% of residents commuting to the seed clusters previously identified and secondly where a simple majority of residents worked.*

*3.16 In summary, the localised dynamics suggest that the Checkley Wood area is far more closely linked to Luton than it is to Milton Keynes. This is also likely to be strengthened through improvements to the Strategic Road Network.[the A5 - M1 Link Road]*

*3.17 Coupled with the questions we have raised in relation to commuting and house price analysis undertaken by ORS, there is clear justification for considering that at the very least the Leighton Linlade area is in an area of overlap between the Luton and Milton Keynes HMA. The strength of relationship between the Checkley Wood and Luton, suggests that this area clearly falls within the Luton HMA. For Leighton Linlade, it is clear that there is a strong functional link - in regard to commuting and migration - with Luton, and this can be expected to be strengthened and grow with delivery of the A5-M1 Link Road.*

- 3.9. The placing of ‘Leighton Buzzard’ within the MK HMA or Luton HMA is therefore finely balanced when there are few indicators which conclusively dictate the choice. The mapping (Appendix 1) seems to follow a boundary that deliberately excludes ‘Leighton Linlade’ (however finely balanced that might be), but defining the HMA for a currently undeveloped Checkley Wood is much less precise. GLH considers that Checkley Wood “clearly falls” within the Luton HMA.

#### **4. QUESTION 16**

*The Luton and Central Bedfordshire administrative areas are regarded as a “best fit” for the Luton functional HMA. What are the key factors that justify this being a ‘best fit’ and is this justified?*

- 4.1. The ORS study recognises the implications and practicalities of trying to implement this rather precise map in terms of housing allocations and



therefore seeks to rationalise the matter by identifying “Best Fit” Housing Market Areas:

4.2. The ORS study states as follows (original emphasis):

***Administrative Boundaries and Housing Market Areas***

*5.20 The NPPF recognises that housing market areas may cross administrative boundaries, and PPG emphasises that housing market areas reflect functional linkages between places where people live and work. The previous 2007 CLG advice note<sup>11</sup> also established that functional housing market areas should not be constrained by administrative boundaries, nevertheless it suggested the need for a “best fit” approximation to local authority areas for developing evidence and policy (paragraph 9):*

*“The extent of sub-regional functional housing market areas identified will vary and many will in practice cut across local authority administrative boundaries. For these reasons, regions and local authorities will want to consider, for the purposes of developing evidence bases and policy, using a pragmatic approach that groups local authority administrative areas together as an approximation for functional sub-regional housing market areas.”*

*5.21 This “best fit” approximation has also been suggested by the PAS OAN technical advice note, which suggests (second edition, paragraph 5.9):*

*“boundaries that straddle local authority areas are usually impractical, given that planning policy is mostly made at the local authority level, and many kinds of data are unavailable for smaller areas.”*

*5.22 This means there is a need for balance in methodological approach:*

*» On the one hand, it is important that the process of **analysis and identification of the functional housing market areas should not be constrained by local authority boundaries**. This allows the full extent of each functional housing market to be properly understood and ensures that all of the constituent local planning authorities can work together under the duty to cooperate, as set out in Guidance (PPG, ID 2a-010).*

*» On the other hand, and as suggested by the PAS OAN technical advice note (and the previous CLG advice note), it is also necessary to identify a **“best fit” for each functional housing market area that is based on***





*local planning authority boundaries. This “best fit” area provides an appropriate basis for analysing evidence and drafting policy, and would normally represent the group of authorities that would take responsibility for undertaking a Strategic Housing Market Assessment (SHMA) or Housing and Economic Development Needs Assessment (HEDNA).*

**5.23 In summary, therefore, the approach to defining housing market areas needs to balance robust analysis with pragmatic administrative requirements.**

*5.24 Therefore, whilst we have established the most up-to-date functional housing markets for the Bedfordshire and the surrounding areas, it is now necessary to consider the most appropriate working arrangements for establishing the evidence base that the NPPF requires.*

*Luton*

*5.31 Almost all of the residents living in Luton functional HMA live in either Luton or Central Bedfordshire (99%). All of Luton borough’s residents live in the HMA, however the HMA represents just under half (45%) of Central Bedfordshire’s population. Nevertheless, Central Bedfordshire is split across four functional HMAs; and the population living in the Luton functional HMA is by far the largest.*

**5.32 On this basis, we would conclude that the combined area of Luton borough and Central Bedfordshire represents the most appropriate “best fit” for Luton functional HMA.**

- 4.3. This is the most simple and credible way to deal with the accommodation of Luton’s unmet housing needs. Trying to allocate suitable sites on the basis of a ‘fuzzy’ A4 map in the ORS study ignores real world solutions of providing adequate housing for Luton’s unmet needs and being able to consider the best sites. The collaboration between the partners has a difficult history, but got close in forming the Luton and South Bedfordshire Joint Planning Committee in 2010/2011. The search for sites in Southern Central Beds should now be unfettered so that a solution can be found.

## 5. QUESTION 17



*Is the Luton HMA correctly and accurately described in paras 1.18, 4.5 and 4.7 of the Plan? In particular, is any part of Dacorum Borough Council within the Luton HMA? [see Council's 'minor modifications' MOD9 & MOD29]*

- 5.1. The Luton *functional* HMA includes Luton, Central Beds, North Herts and Aylesbury Vale, not Dacorum Borough. LBC MOD9 & MOD29 makes this clear, correctly.

## 6. QUESTION 18

*Should the extent of the Luton HMA be shown on a map or diagram and explained in the Plan? Is the precise extent of the Luton HMA within Central Bedfordshire a matter for this plan?*

- 6.1. The definition of the Luton HMA is not a matter for Luton (insofar as Luton is definitely in it) so much as for the adjoining LPA areas.
- 6.2. Luton has an unmet housing need for 11,100 homes<sup>6</sup>. Although the LBC note on the updated July 2016 SHLAA revises that to 9,300 homes<sup>7</sup> this may be a matter for a Modification. This has to be met in the surrounding LPA areas.
- 6.3. Precisely where that need is to be met is a matter for the adjoining Local Plans, principally Central Bedfordshire and North Hertfordshire.
- 6.4. Although the eastern fringe of Aylesbury Vale is shown to be within the LHMA, the AVDC Officer at the Stage 2 LLP Examination stated that AVDC will not be making a contribution to Luton's unmet needs. Furthermore, the Vale of Aylesbury Local Plan has reached Draft Plan stage (July 2016) and although making provision for 12,000 homes, which in itself is arguably insufficient, to

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<sup>6</sup> LP Policy LP2 p19

<sup>7</sup> ED047 para 6



accommodate the unmet needs of Wycombe, Chiltern and South Bucks<sup>8</sup>, it makes no contribution to Luton.

- 6.5. The North Herts contribution towards Luton's unmet needs will be 1,950 homes (agreed by Full Council on 20.7.16). That leaves between 7,350 and 9,150 homes (based on the current OAN) to be provided in Central Bedfordshire. A consultation on a Draft Local Plan (Reg 18) is to commence in December 2016. A CBC/Luton Joint Growth Options Study is being prepared and a first report is expected in October 2016<sup>9</sup>.
- 6.6. There would seem little point in debating the precise extent of the Luton HMA, recognising that for practical purposes the 'best fit' is recommended as being Luton and Central Bedfordshire administrative areas. A contribution towards Luton's unmet housing needs from North Herts is welcome, otherwise a site search in Southern Central Bedfordshire is the most practical way forward (Northern Central Bedfordshire is more related to Bedford).

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<sup>8</sup> AVDC Draft Local Plan June 2016 para 3.11

<sup>9</sup> CBC statement Luton Stage 1 hearings