

Update on Objectively Assessed Need (OAN) in the Cambridge Sub-Region Housing Market Area – February 2017

1.0 Background

- 1.1** The Cambridge Sub-Region Housing Market Area (HMA) comprises the administrative areas of seven city and district councils¹.
- 1.2** On publication of the National Planning Policy Framework (NPPF) in March 2012, five of these authorities were undertaking full local plan reviews to broadly similar timescales. Consequently, the local authorities recognised the need to produce a Strategic Housing Market Assessment (SHMA) in accordance with guidance in paragraph 159 of the NPPF.
- 1.3** The *Strategic Housing Market Assessment for the Cambridge Housing Sub-Region* (2013) established an OAN figure for the HMA as a whole and for each district within it.
- 1.4** The local authorities also agreed in 2013 to produce a document that would convey their agreement to the OAN figures and, where relevant, the distribution of these. The *Cambridgeshire & Peterborough Memorandum of Co-operation, Supporting the Spatial Approach 2011-2031* (the MoC) was published alongside the SHMA in May 2013. This was developed in large part to demonstrate a coherent approach to development in the wider area and, in particular, as evidence of the authorities proactively undertaking the Duty to Co-operate. It was produced in accordance with the provisions of paragraph 181 of the NPPF.
- 1.5** The authorities in the HMA reached agreement with Peterborough City Council that it would accommodate 2,500 dwellings from the Cambridge Sub-Region HMA. Agreement to this approach is reflected in the MoC (Appendix 1, paragraphs 3.4 – 3.8).
- 1.6** The first local plan reviews to rely on the OAN figures from the SHMA for their housing targets were those for Fenland and East Cambridgeshire, examined in 2013 and 2014 respectively. Both plans were subsequently found sound and adopted on the basis of the agreed housing targets in the MoC.
- 1.7** The Cambridge and South Cambridgeshire Local Plans were submitted for examination in spring 2014. The hearings started later that year and are ongoing (they are expected to finish in autumn 2017). Housing targets in the two plans were initially based on figures from the SHMA and included in the MoC. However, shortly following the plans' submission the *Planning Practice Guidance* (PPG) was issued, including guidance on Housing and Economic Development Needs Assessments. The Inspectors examining the plans required the OAN assessment from the SHMA to be updated to take account of this latest national guidance (particularly concerning market signals and affordability) and more recent household projections.
- 1.8** The results of this updating are that the housing target for Cambridge remained unchanged at 14,000 dwellings, while South Cambridgeshire's target increased by 500 dwellings to 19,500 in total.

¹ Cambridge City Council, East Cambridgeshire District Council, Fenland District Council, Forest Heath District Council, Huntingdonshire District Council, South Cambridgeshire District Council and St Edmundsbury Borough Council.

- 2.0 The current position
- 2.1 Of the remaining authorities in the HMA, Huntingdonshire District Council expects to submit its local plan review during late 2017 or early 2018. Forest Heath District Council is undertaking a single issue review, with submission due shortly. St Edmundsbury Borough Council is preparing for a plan review. East Cambridgeshire District Council decided to undertake an early review of its plan, which is underway.
- 2.2 For these four authorities, it is not possible to rely on the OAN figures in the SHMA and reflected in the MoC to inform their housing targets, for two principal reasons. Firstly, more recent national population and household projections have been issued; the PPG confirms that these should be the starting point for establishing OAN. Second, the PPG itself has been issued since the SHMA and MoC. As this now provides national guidance on undertaking housing needs assessments, the approach needs to be followed in any current approach to assessing OAN.
- 2.3 Given the very different stages of local plan reviews across the HMA, the authorities recognise that it is not possible at present to undertake a full SHMA review. Therefore, as a pragmatic response to the current situation each of the four authorities is undertaking an OAN assessment for its area. These circumstances are recognised in the PPG, which states: "*Where Local Plans are at different stages of production, local planning authorities can build upon the existing evidence base of partner local authorities in their housing market area but should co-ordinate future housing reviews so they take place at the same time*" (Paragraph:007 Reference ID: 2a-007-20150320).
- 2.4 Building on the existing evidence base of partner local authorities in the Cambridge Sub-Region HMA, the work undertaken to update OAN figures for the four authorities is consistent and follows closely the guidance in the PPG and technical advice in the *Objectively Assessed Need and Housing Targets* note prepared for the Planning Advisory Service by Peter Brett Associates.
- 2.5 While some authorities have updated their OAN for the reasons set out above, there is no suggestion that they will not be able to accommodate fully their own identified housing need. Moreover, Peterborough City Council maintains its commitment to accommodating 2,500 homes from the Cambridge Sub-Region HMA. Consequently, the original purpose of the MoC remains intact.
- 2.6 The current position on OAN for each authority in the HMA is set out below.

Local Authority area	OAN from 2013 SHMA (2011 – 2031)	Updated OAN
Cambridge	14,000	14,000
East Cambridgeshire	13,000	12,900 (2014-2036)
Fenland	12,000	No plan review
Forest Heath	7,000	6,800
Huntingdonshire	17,000	Not yet available
South Cambridgeshire	19,000	19,500
St Edmundsbury	11,000	Not yet available