

HOUSING TARGETS IN THE CAMBRIDGE HMA AREA:

**AN EVIDENCE REPORT TO EXPLAIN WHY IT IS APPROPRIATE FOR
2,500 HOMES 'NEEDED' IN THE CAMBRIDGE HMA TO BE MET IN
PETERBOROUGH**

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**Prepared by Peterborough City Council, in consultation with
Cambridgeshire Districts**

1 Background

- 1.1 The document 'Cambridgeshire & Peterborough Memorandum of Co-operation' and in particular Appendix 1 to that document "Objectively Assessed Need for Additional Housing – Memorandum of Co-Operation between the local authorities in the Cambridge Housing Market Area" ("the MoC") explains that:
- The Cambridgeshire local planning authorities have worked together to undertake a Strategic Housing Market Assessment (SHMA) for the Cambridge Sub Region Housing Market Area (HMA).
 - The Cambridge Housing Market Area overlaps with the Peterborough Housing Market Area, and so Peterborough City Council (PCC) has joined with the other authorities in signing up to an agreed Memorandum of Cooperation.
- 1.2 The SHMA calculates an objectively assessed need for 93,000 new homes in the HMA as a whole over the period 2011 to 2031.
- 1.3 Of this 93,000, it is worth noting the 'need' identified in two districts in particular: 12,000 in Fenland and 13,000 in East Cambridgeshire.
- 1.4 In the interests of achieving a more sustainable pattern of development, it has been agreed for some time (and continues to be agreed) that some of the need arising in the Cambridge HMA should be met in Peterborough, reflecting the fact that the two HMAs overlap.
- 1.5 Accordingly, the provision to be made in the Cambridge HMA area as a whole has been agreed, via the MoC, to be reduced to 90,500 dwellings; Peterborough is recognised as already agreeing (and continues to agree) to deliver 2,500 of the dwellings identified for the Cambridge HMA; and that provision to be made in Fenland is reduced to 11,000 dwellings and in East Cambridgeshire to 11,500.
- 1.6 This Statement explains how the 2,500 "Cambridge HMA" dwellings have been incorporated into Peterborough's statutory development plans, how they will be delivered over an appropriate timescale and why, therefore, it is appropriate for Fenland's and East Cambridgeshire's housing targets to be 11,000 and 11,500 respectively.

2 How was the figure of 2,500 dwellings derived?

- 2.1 The explanation as to how Peterborough City Council has already incorporated 2,500 dwellings arising from Cambridge HMA into its plans derives from the process of arriving at a Peterborough dwelling figure in the Regional Spatial Strategy (the East of England Plan). Although the Regional Spatial Strategy (RSS) has been revoked, it is relevant because the Peterborough Core Strategy DPD was prepared, examined and adopted in general conformity with it, in accordance with the provisions in the Planning and Compulsory Purchase Act 2004 that were in place at the time of its adoption (in 2011).
- 2.2 When the draft RSS was submitted for public examination in 2005, it made the following provision for new dwellings in Cambridgeshire/Peterborough over the 20 year period 2001 to 2021:

	Total Dwellings	Annual Rate
Cambridge	14700	735
East Cambs	8600	430
Fenland	10100	505
Huntingdonshire	11200	560
South Cambs	23500	1175
Peterborough	21200	1060
Total	89300	4465

- 2.3 Following the processes of public examination, panel recommendations and, ultimately, the Secretary of State's modifications, the dwelling numbers were increased in general terms in response to a variety of up to date forecasts of need; and there was a policy decision to focus the additional dwellings to certain locations to deliver a more sustainable pattern of development and strengthen the role of certain locations. As a result, the final approved RSS made the following provision:

	Total Dwellings	Annual Rate 2006 to 2021
Cambridge	19000	1110
East Cambs	8600	360
Fenland	11000	510
Huntingdonshire	11200	550
South Cambs	23500	1350
Peterborough	25000	1420
Total	98300	5290

- 2.4 What is clear from this is that the Secretary of State, based on the panel recommendation before him, concluded that the overall figure for Cambridgeshire and Peterborough as a whole should rise by 9,000 dwellings (from 89,300 to 98,300). He also decided, however, that this 9,000 should not be divided between the local authorities on the same ratio as the original distribution.
- 2.5 Instead, as can be seen, the Secretary of State focussed the additional growth on the two main urban areas compatible with their respective opportunities and constraints (Cambridge and Peterborough) whilst the figures for East Cambs, Huntingdonshire and South Cambs remained unchanged, and there was a modest increase for Fenland. The Peterborough figure increased by 3,800 dwellings (from 21,200 to 25,000). There is nothing in the panel report to suggest that the increase in the Peterborough figure was a result of increased need forecast from within Peterborough itself; rather it was a policy decision to focus the additional need in the two larger urban areas, Peterborough being one of them. For Peterborough, the purpose of directing growth to the city was to further strengthen its regional role.

2.6 Indeed, it is worth noting the opening line of the only Peterborough specific policy in the adopted RSS¹ (policy PB1) states:

“The strategy is for growth and regeneration to strengthen Peterborough’s role as a major regional centre...”

i.e. what this policy confirms, from the outset, is that growth at Peterborough should not be just to meet its own need, but greater than that, in order to *strengthen* (rather than, say, maintain) its then current regional role.

2.7 It is also worth noting that the Panel Report, at paragraph 5.60², states that:

“For the longer term [i.e. beyond the RSS plan period of 2021], depending on progress in the first five years, there may well be scope for Peterborough to play an even greater regional growth role, realising more of the potential... for growth from 2021 to 2031.”

2.8 This indicates the thinking at that time was not for a short ‘burst’ to Peterborough’s growth, but a sustained growth in the longer term, beyond meeting its own need.

2.9 It is also worthy of note that, at that time, Peterborough City Council was fully supportive of accepting a higher level of housing growth in the then emerging RSS, as part of its ambition (which remains today) of becoming a ‘bigger and better Peterborough’. The City Council, through its subsequent and now adopted set of development plans, has made no attempt to reduce these regional figures, despite pressure to do so from some external parties during the examination of its plans.

2.10 Thus, as a matter of principle, it is clearly evident that policy decisions have taken place (by the region, by the Secretary of State and by Peterborough City Council) which mean that Peterborough has been given, welcomed and planned for additional growth beyond its own ‘need’.

2.11 The question, therefore, becomes to what extent, in quantitative terms, has this been for the plan period 2011-31? The RSS, or evidence behind it, does not give a definitive answer to this question, though calculations can be made to make reasonable estimations. First, returning to the Secretary of State’s decision, the final policy H1 of the published RSS acknowledged the dwellings that had already been built between April 2001 and March 2006, and established the minimum still to be built between April 2006 and March 2021. As the extra 3,800 dwellings were added to the Peterborough figure following the public examination and prior to publication of the final Plan, it is clear that they were expected to be provided over the 2006 to 2021 period. In effect, an extra 3,800 dwellings from Cambridgeshire and Peterborough as a whole were expected to be provided in Peterborough over a fifteen year period (2006 to 2021), at an average rate of 253 per year.

2.12 The Memorandum of Co-Operation concerns the distribution of dwellings over a time period that starts in 2011, and therefore five-years’ worth of these dwellings (from 2006 to 2011) are not relevant. Five years of dwellings at an average of 253 per year equals 1,265 dwellings. If these are discounted from the additional 3,800 dwellings, that leaves a figure of 2,535

¹ See:

http://webarchive.nationalarchives.gov.uk/20100528142817/http://www.gos.gov.uk/goee/docs/Planning/Regional_Planning/Regional_Spatial_Strategy/EE_Plan1.pdf

² See:

http://webarchive.nationalarchives.gov.uk/20100528142817/http://www.gos.gov.uk/goee/docs/Planning/Regional_Planning/East_of_England_Plan_Examin1.pdf

additional dwellings which Peterborough was required to accommodate, in order to strengthen its regional role, from 2011 to 2021.

- 2.13 As such, whilst it is accepted this is not an exact science, a figure of 2,500 is a reasonable assumption to make as to the extent that Peterborough has taken growth from the Cambridge HMA for the period since 2011.
- 2.14 To put this figure in context, it represents about 10% of Peterborough's overall adopted housing target, a not excessive percentage considering the clear policy decision made at various levels to strengthen Peterborough's regional role through increased housing growth.

3 How has PCC incorporated an "additional" 2,500 dwellings into its Plans?

- 3.1 In its adopted Core Strategy DPD, PCC has made plans for the level of dwellings growth required by the final policy H1 of the East of England Plan – in other words, for a dwelling total that already includes the redistributed dwellings (in the order of 2,500) from Cambridgeshire. The Peterborough Core Strategy was examined and found to be sound; and was adopted in February 2011.
- 3.2 Therefore, it can be seen that provision has indeed been made in Peterborough's adopted Core Strategy for some 2,500 dwellings redistributed from the Cambridgeshire local authorities; and those are to be delivered from 2011 onwards.
- 3.3 Furthermore, PCC has adopted a Site Allocations DPD (in 2012), which was found to be sound and in general conformity with its Core Strategy. This DPD allocates sites for residential development to meet the dwellings requirement of the Peterborough Core Strategy.
- 3.4 It can be seen therefore, that not only has PCC made effective plans to provide for some 2,500 dwellings whose need arises from Cambridgeshire in quantitative terms; but it has also advanced those plans into site allocations in an adopted DPD.

4 From where have the additional 2,500 dwellings been taken?

- 4.1 The Memorandum of Cooperation (CD016) makes it clear that the 2,500 additional dwellings already accommodated in Peterborough have been taken from the Cambridge HMA as a whole. The decision as to which districts 'reduced' their figures was a matter determined by the Cambridge HMA partners, which as can be seen saw a reduction in Fenland (by 1,000) and East Cambridgeshire (by 1,500). The reasoning behind this decision, is briefly explained in the Memorandum of Cooperation (CD016), and was based on the long standing policy decision (regional and subregional) of directing growth to the main urban areas with the largest potential for growth, least infrastructure constraints and least fundamental policy constraints (e.g. Green Belt). Fenland and East Cambs fit in the opposite of that category, and hence saw a reduction.

5 Is there any new evidence to dispute or endorse the above explanation?

- 5.1 Peterborough City Council and its partner authorities in the Peterborough HMA area have commenced a SHMA review, though it is not programmed to publish results until spring 2014. When it does, this evidence report can be updated accordingly.

5.2 However, as an interim measure, it is worth noting that the 'How Many Homes' website³ gives a forecast for Peterborough of 17,639 new households, at 882 per annum, between 2011-31. Whilst this forecast should not be used as a substitute for a proper SHMA assessment of objectively assessed need, it is a useful proxy and as such it does indicate that the level of growth accommodated in the adopted Peterborough plans (25,500 homes, 2009-2026, or 1,500 per annum) appears comfortably above meeting its own 'need' and therefore strengthens the evidence set out in this report that it has (and continues to) accommodated a level of need arising from adjoining areas, including the Cambridge HMA.

6 Conclusions

6.1 The following conclusions can be drawn from the above:

- In approving and issuing the Regional Spatial Strategy for the East of England, the Secretary of State made a conscious decision to redistribute, in principle, a proportion of an increase in the number of dwellings whose need arose from Cambridgeshire to Peterborough in order to strengthen Peterborough's regional role.
- Further, that the amount passed to Peterborough was 3,800 dwellings over the period 2006 to 2021, and as such in the period from 2011 onwards (the base date for the Cambridgeshire SHMA, the Memorandum of Co-Operation and the emerging Local Plans in Cambridgeshire) this redistribution amounts to 2,535 dwellings.
- This amount of 2,500 (rounded) represents 10% of Peterborough's overall growth target, which strengthens the view that the calculations are reasonable and 2,500 is not an excessive assumption.
- Peterborough City Council has a Core Strategy DPD which was prepared, examined and adopted in general conformity with the Regional Spatial Strategy. It provides for a level of residential development which accords with the Regional Spatial Strategy dwelling figure. The "additional" 2,500 dwellings (rounded) are incorporated within it.
- Peterborough City Council has an adopted Site Allocations DPD which allocates sites for residential development to deliver the quantum of development in its Core Strategy.
- Recent evidence in the form of household growth projections indicate that there continues to be considerable headroom between the growth planned in Peterborough and the internal need generated by Peterborough, thus strengthening the principle that Peterborough is already accommodating a proportion of the Cambridge HMA need.

6.2 There is, therefore, sufficient evidence to demonstrate that the proportion of housing to be provided in Peterborough will be effective in addressing the housing requirements arising in the Cambridge HMA, both in terms of the quantum of housing and within appropriate timescales.

³ See: <http://www.howmanyhomes.org/>