



Kevin Ward and Caroline Mulloy
The Planning Inspectorate
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Dear Mr Ward and Ms Mulloy

Thank you for your note dated 9 October (ID/5) regarding the updated national 2016-based household projections that were published by the ONS last month; and the implications of these projections for the New Forest National Park Local Plan. Set out below are the Authority's responses to the points you raise.

The 2016-based household projections released on 20 September 2018 relate to *local authorities* in England, rather than *local planning authorities*. This is an important distinction in the context of planning in the National Park, which includes land within New Forest District, Wiltshire and Test Valley Borough. The 2016-based household projections do not therefore directly relate to the New Forest National Park, as no figure is given for the Park as a data output area. The implications of this for calculating the Objectively Assessed Need for housing in the National Park (where the absence of available household projections means local housing needs cannot be calculated using the standardised method) is recognised in the revisions to the National Planning Practice Guidance (NPPG) made in September 2018 (Reference 2a-013-20180913).

The 2016-based household projections for the New Forest District area (as distinct from the National Park area) indicate a significant reduction in the number of households forming compared to the 2014-based projections. The table compares the 2014- and 2016-based household projections over the Plan-period.

	2014-based household projections Annual Household Growth 2016 - 36	2016-based household projections Annual Household Growth 2016 - 36	Difference	% difference
New Forest District	684 households	465 households	-219 households per annum	-32%

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The latest national projections for New Forest District show household growth of 465 per annum over the plan period 2016-36. By way of comparison, the *New Forest Objectively Assessed Housing Need Report 2017* (CD105) identified a housing need in New Forest District and National Park of 585 dwellings per annum, a figure 26% higher than the 2016-based national household projections.

The lower level of household growth in the latest official projections is largely driven by a lower level of population growth in the 2016-based subnational population projections (SNPP) relative to 2014-based SNPP – as shown in the table below. This is important as the *New Forest Objectively Assessed Housing Need Report 2017* (CD105) already recognised that population growth should be projected to be lower than in the 2014-based SNPP – see Section 2 of OAN report for general discussion (this point is also discussed under question 4.3 in the Authority’s Examination hearing statement). The Authority’s Local Plan evidence base therefore already recognised the likelihood of lower projected population and household growth than in 2014-based national projections.

	2014-based population projections Annual Population Growth 2016-36	2016-based population projections Annual population Growth 2016 - 2036	Difference	% difference
New Forest District	1,097 persons	624 persons	-473 persons per annum	-43%

The population growth projected in the 2016-SNPP is slightly higher than in the 10-year population trend scenario modelled in CD105, with the 2016-SNPP showing population growth of 12,480 over the Plan-period in New Forest District, compared to 11,930 in CD105. Notably less growth is however expected in those aged over 80 as a result of ONS’ revised assumptions on life expectancy. While population growth is the main driver of household change, it is the case that ONS (as part of the 2016-based projections) has amended its method for looking at household formation and this does have some additional impact on the numbers.

Overall it is not considered that differences are substantial in New Forest District. The analysis above highlights that the 2016-based household projections indicate growth of 465 per annum over the 2016-36 period for New Forest District, whereas CD105 put the figure for its preferred demographic-based scenario at 490 per annum (see Figure 2.7). The latest national projections are therefore 35 per annum (or about 7%) lower than suggested in CD105.

If an allowance for vacant and second homes is made, with a 15% market signals uplift then applied to the 2016-based household projections consistent with the analysis in CD105, a revised OAN figure of 556 dwellings per annum would be shown for New Forest District. This compares to 585 dwellings per annum in CD105. This is a modest 5% difference and **the Authority does not consider that the new household projections published in September 2018 point to a meaningful change in the level of housing need in the New Forest. The Authority does not consider any reworking of its Local Plan evidence base on housing need in the National Park is necessary.**

Conclusions

Recent updates to the NPPG acknowledge the challenges in calculating housing need in National Parks, where national datasets (such as the ONS household projections) are not cut to National Park boundaries. The Authority is of the view that the *New Forest Objectively Assessed Housing Need Report (2017) - Core Document 105* - remains the most robust assessment of housing need in the National Park. This report projected trend-based demographic needs for the New Forest area (rather than relying solely on the 2014-based national household projections), and then added an additional percentage to take account of market signals. As set out in the Authority's Examination written statement for Matter 4, the analysis and conclusions of this work were specifically developed for the New Forest District and National Park areas and identified a housing need figure based on the best available information (as per the guidance for National Parks contained within the NPPG).

In conclusion, the Authority does not consider additional work to be necessary on the OAN figure for the National Park, due to:

- (i) The 2016-based national household projections do not provide figures specifically relating to the New Forest National Park area.
- (ii) The recognition in the September 2018 updates to the NPPG that National Park Authorities can continue to identify a housing need figure using locally determined methods (due the fact that available data does not allow housing need in National Parks to be calculated using the Government's standardised method); and
- (iii) Evidence indicating that the new 2016-based household projections do not suggest a meaningful change in the scale of housing need identified across New Forest District in CD105.

We hope to proceed to the Local Plan Examination hearing sessions next month and will continue to cite the *New Forest Objectively Assessed Housing Need Report 2017 - Core Document 105* – as the most robust and locally justified evidence on housing needs in the National Park. This report forms the framework for the Authority's submitted written hearing statement for Matter 4 (OAN and the housing requirement). I hope this response clarifies matters and please do not hesitate to get back in contact if there are any further queries.

Yours sincerely

David Illsley
Policy Manager