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Mr A Thickett  
East Devon Local Plan Inspector  
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Dear Mr Thickett,

**No audit trail from SHMA to EDDC's Local Plan**

I have spent days pouring over EDDC's latest revised draft Local Plan, and despite being a former Director of Scrutiny and Analysis for Policy and Programmes in MoD, I have been unable to find an audit trail from any supporting paper to the supposedly objectively assessed housing requirement.

Section 6.6 of the EDDC's 2015 Revised Draft Local Plan headed "Justification of the Scale of Residential development in the Plan" reads:

*"A SHMA dated 2015 has been completed and this sets out an Objectively Assessed Housing requirement for the local plan that provides for 17,100 new dwellings over the 2013 to 2031 period. Planned provision at March to 2015 is expected to provide 18,391 homes and this provides flexibility in respect of policy."*

Neither the figure of 17,100 nor its annual equivalent over 18 years (2013 to 2031) of 950, appears anywhere in the 237 pages of the SHMA final report 2014/2015 published by DCA. This is the SHMA jointly commissioned by Exeter, East Devon, Teignbridge and Mid Devon. The maximum annual housing requirement presented in the SHMA for East Devon is 850 (Table 10-3), under the description "Support Economic Growth". This would give a (2013 to 2031) total requirement of only 15,300.

I think the EDDC figure refers to the creation of an additional sub-scenario concerning a more proactive policy for the Exeter and East Devon Growth Point. EDDC commissioned a technical advice study from Ash Futures, published in February 2015, "Employment projections for East Devon". Ash Futures estimates that this SHMA growth scenario would result in net annual growth (average 315 jobs/year) over demographic trends; and the Growth Point a net (240 jobs/year) "over and above those identified in the 'policy off' trend

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projections". This is highly ambiguous as there are three "policy off trend analyses". So, has EDDC compounded two growth scenarios? If so: is there a danger of double counting; has this been coordinated with adjoining authorities; and how do jobs translate into houses and to which base, Experian or Cambridge, are they added (17% spread in housing projection between them)? Lastly, would such an extreme approach be economically sustainable and what are the risks?

Ash Futures also give advice regarding their view as to how much weight to attach to the alternative growth models used in the SHMA (Experian versus the LEFM sometimes known as the Cambridge model). Page 13 states:

*"Given the fact that there have been downward revisions in the national-level forecasts, it is considered that the more up-to-date, lower Experian projections could carry greater weight. Even then, they will not fully reflect a 'softening' of output growth forecasts made by the OBR in its most recent outlook (for example growth for 2018 is now forecast to be 2.3% compared to 2.7% when the OBR made its forecast a year earlier) and therefore should be regarded at the top end of possible job growth."*

The study concludes that whilst it might be appropriate to adopt the projections provided by Experian, it is Ash's view that these still represent the top end of possible outcomes.

In the SHMA (Table 10-3) the Experian Growth model projects an annual housing need for East Devon of 725 which equates to 13,050 over the period 2013 to 2031.

C&LG released a new set of 2012 based household projections covering the period to 2037. These were not available to inform the assessments for the SHMA and therefore have not been used (para 8.8.11 of the SHMA). On a strategic level, the 2012-based projections are lower than the previous, interim 2011-based projections, which are lower than the 2008 projections. An average of the 2011 and 2008 has been used (which are themselves moving averages). The SHMA base is at least 5% too high as a result.

East Devon urgently needs a plan that is evidence based and economically sustainable. The current draft fails to establish any audit link to the SHMA or provide any clear explanation of how the housing requirement has been calculated and the underlying assumptions. Without this I don't see how anyone can respond to it in the consultation phase.

In the public interest we must know, unambiguously, how these figures are derived.

Yours sincerely,

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