Dear Mr Hollox

Rotherham Core Strategy

Thank you for your letter of 11 July (ref: ED/08) seeking initial clarification in respect of the Duty to Co-operate and the proposed housing requirement. I have set out our response to your concerns below.

Duty to Co-operate
The Council is confident that we have complied with our legal responsibilities under the Localism Act’s “Duty to Cooperate”, as evidenced through the Statement of Co-operation (RSD/12). Paragraphs 12 to 21 set out existing and ongoing co-operation within the Sheffield City Region, whilst paragraphs 22 to 25 (and accompanying appendices) set out specific engagement in preparing the Core Strategy and identify any issues raised. Paragraphs 26 to 34 set out how these issues have been addressed.

In terms of how the Duty has influenced the Core Strategy document, I would draw your attention to the Memorandum of Understanding with Sheffield City Council at appendix 23 of RSD/12, where paragraphs 3.1 and 3.2 set out a number of changes to the Core Strategy (detailed in RSD/2 Core Strategy Focused Changes) which, as you refer to in paragraph three of your letter, have enabled the City Council to withdraw their objections to the Publication Core Strategy (RSD/1). As shown by the Statement of Co-operation, this was the result of discussions over a period of time between the two Authorities.

Previous discussions with North East Derbyshire District Council highlighted the need for a consistent approach to Chesterfield Canal. This resulted in the inclusion of paragraph 4.14 in the Draft Core Strategy (CSP/11) and subsequently paragraph 4.3.21 in the Publication Core Strategy. I would note that discussions with North East Derbyshire reflected at paragraph 25 of RSD/12 show that there is agreement that the approaches to the Canal are now broadly in line between the two Authorities.

Appendix 14 of RSD/12 provides details of a meeting with English Heritage regarding their concerns raised at Publication stage. The Council has proposed a number of Focused
Changes in response (Focused Changes 12, 13, 20, 47, 86 and 123; RSD/2). These are intended to better articulate the challenges and opportunities which the management of the historic environment is likely to present including identification of a specific issue regarding this in chapter 3 of the Core strategy. They include amendments to Policy CS3 point f, to better accord with paragraph 131 of the NPPF and Paragraph 5.2.63 of the Core Strategy, and additions to supporting text to recognise the presence of the former Guest and Chrimes building (close to Rotherham town centre) as both a constraint and an opportunity for development in this location. In their response to the Focused Changes consultation English Heritage confirmed that these changes addressed their concerns and, as detailed in appendix 21 of RSD/12, has enabled them to withdraw most of their objections. In relation to the remaining objection (regarding Bassingthorpe Farm) the Council and landowners continue to work with English Heritage to complete a Heritage Impact Assessment, with a further meeting expected to take place early in September.

As noted at paragraph 25 of RSD/12 the Core Strategy policies and supporting text have been shaped following feedback and co-operation with the Environment Agency. In particular Policies 21 (Flood Risk within the Rotherham Regeneration Area) and 26 (Managing the Water Environment) of the draft Core Strategy (CSP/11) changed substantially, being replaced by Policies CS24 (Conserving and Enhancing the Water Environment) and CS25 (Dealing with Flood Risk) in the Publication Core Strategy. This has introduced greater emphasis on water quality and contributing towards the objectives of the Water Framework Directive, a hierarchy for disposal of surface water, and a more detailed approach to considering flood risk in light of national planning policy and the Council’s Flood Risk Toolkit (LEB/22).

Comments from the South Yorkshire Passenger Transport Executive (SYPTE) at Draft Core Strategy stage have resulted in, amongst others, greater reference to the City Region Transport Strategy / Local Transport Plan 3 (REB/2), and reference in supporting text to the use of transport planning and accessibility models. In particular the Core Strategy was amended to include a section within Chapter 4.3 (Plans, policies and programmes) on the SCR Transport Strategy and South Yorkshire’s Third Local Transport Plan (paragraphs 4.3.10 to 4.3.12; RSD/1).

With regard to minerals the Council is working with Doncaster Council to produce a joint Local Aggregates Assessment, and following discussions regarding ongoing and future co-operation the outcome is an agreed joint position statement with Doncaster and Derbyshire and Nottinghamshire County Councils (RSD/12, appendix 22). The Council is contributing towards the regional marine aggregates study (currently in production) and following the appointment of Cheshire West and Chester Council as Secretary to the Yorkshire & Humber Aggregate Working Party (AWP) will play an active role in the re-activated AWP.

The Council believe that these examples, in tandem with the detail in the Statement of Co-operation, show how the Council has met its responsibilities under the Duty to Co-operate. It considers that relevant bodies have been given adequate opportunity to influence the plan, that meaningful discussions have taken place and that the process of engagement has resulted in meaningful changes to the Core Strategy policies and supporting text.
Housing Requirement
As set out in the Core Strategy and the housing and economic growth background paper (KSD/7), the Council considers that the housing requirement is founded upon a robust evidence base using the most appropriate data available. The work carried out in deriving the Core Strategy housing requirement is considered to broadly accord with the fundamental principles laid out in the Planning Advisory Service’s “Ten key principles for owning your housing number- finding your objectively assessed need”.

The policy approach allows Rotherham to meet its needs whilst contributing towards the housing requirements of the wider City Region, and also provides flexibility as you rightly highlight in your letter. The Council has been working with Sheffield City Council to produce a technical paper to accompany the Memorandum of Understanding, which is attached with this letter and is proposed is included in the examination library. I would note that this has not been subject to final agreement with the City Council due to the key officer being on leave and, at your request, they may wish to provide additional comments.

Prior to the Government’s announcement of its intention to revoke Regional Strategies, the Council considered that an update of the housing evidence base was required to take into account the effects of the economic downturn. In 2009 it was decided to commission a refresh of the 2007 Strategic Housing Market Assessment (SHMA) (LEB/14), however, this only looked at the elements of the SHMA that dealt with affordable housing need and mix. This did not look at the housing requirement, as at this time, the housing requirement was set by the Regional Strategy. The primary purpose of the 2010 SHMA (LEB/15) was therefore to be the provision of evidence to support the Core Strategy in relation to affordable housing need and housing mix requirements.

Following the Government’s announcement of its intention to revoke Regional Strategies and require local planning authorities to set locally derived targets, there was a protracted period of uncertainty, during which the council needed to make some key decisions with regard to establishing a suitable requirement.

Sheffield City Council was approached with a view to undertaking a joint SHMA covering the Sheffield/Rotherham housing market area. At this time Sheffield City Council did not wish to take part in such a study, having recently adopted their Core Strategy and having no need for further evidence. Given this and the continuing uncertainty regarding emerging Government guidance and supporting technical guidance, the council decided to proceed with the production of a locally derived target.

Sheffield City Council has recently commissioned a new SHMA for their area; a meeting has been arranged with Sheffield City Council to discuss additional work to extend this to encompass the whole of the Sheffield/Rotherham housing market area.

The basis for Rotherham’s locally derived housing target of 850 dwellings per annum is considered to be based on the most robust and most up to-date evidence available, as set out in more detail in the housing and economic growth background paper (KSD/7) and the attached technical note. The revoked Regional Strategy (RS) (REB/1) target is based on now superseded projections and the economic conditions and general outlook from that time.

Population projections can vary significantly between each bi-annual update and this has been particularly true in recent data releases. The 2004 and 2006-based projections, which supported the requirement set by the RS, were released at a time of high
international migration, and the strong UK economic growth at the time. For example the 2004-based population projections suggested that Rotherham’s population should be 4,200 higher by 2010 than the latest ONS mid-year estimates suggest was the actual number. It is, therefore, considered by the council that the RSS target was based on outdated projections which have been proven to exaggerate the actual population increase and can no longer be relied upon (details can be found in Paragraphs 10 to 16 and 40 of the housing and economic growth background paper (KSD/7)).

Table 1 of the attached technical paper shows the history of projections compared to the RSS requirement. Since the RSS was prepared, the 2008-based household projections have been published. These show a reduction in growth for Rotherham from 1,000 to 830 households per year. However, the figure for the whole market area had increased, from 2,864 to around 3,830 households. This is around 1,250 more than provided for in the RSS. These projections are highly questionable and adjustments to take account of the 2010-based population projections are thought to be more realistic and these show requirements for the whole market area at around 400 per annum more than the number of dwellings provided for in the RSS requirements.

As discussed in the attached technical note, the most recently published projections are interim 2011-based which take into account the results of the 2011 Census. These only show projections out to 2021 but support the view that the 2008-based projections overstate the likely household growth. Indeed the most up to date projections suggest an annual rate of growth for the whole market area less than the RSS requirements (2008-2026).

Although the 2010 population projections suggest that the 2010 based household projections will fall, the Council has set the requirement based on the 2008-based projections which better align with the Council’s employment growth aspirations and allow for flexibility in meeting population and household growth requirements across the City Region. The 2008-based projections also closely align with the early results of the 2011 Census and are considered to be far more credible and robust than the earlier projections, reflecting both the current and likely future levels of population growth.

The Council believes that the proposed requirement meets the stated intention of the Government in Paragraph 47 of the NPPF (NEB/1a) to boost significantly the supply of housing. Paragraph 47 goes on to say that local planning authorities should: ‘use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area’. The Council considers that it has objectively assessed needs on the basis of up-to date evidence and that the interests of Rotherham would not be served by adhering to out of date and unrealistic targets.

In line with paragraph 154 of NPPF (NEB/1a) the proposed requirement is aspirational but it is also realistic; it is higher than that suggested by the latest population projections and is also considerably higher than figures achieved historically in Rotherham. Completions for the period 1998/99 to 2011/12 are shown in paragraph 24 of the Rotherham Core Strategy (RSD/1), with an average figure of 695 over the period. As context for these the number of outstanding permissions for the last six years is set out in the table below. The table shows permissions permanently above 5,000, suggesting a shortage of demand and/or capacity of developers rather than lack of available land.
Outstanding planning permissions in Rotherham

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Brownfield</td>
</tr>
<tr>
<td>Sep-2007</td>
<td>3,999</td>
</tr>
<tr>
<td>Sep-2008</td>
<td>4,141</td>
</tr>
<tr>
<td>Sep-2009</td>
<td>3,749</td>
</tr>
<tr>
<td>Sep-2010</td>
<td>3,608</td>
</tr>
<tr>
<td>Sep-2011</td>
<td>7,532</td>
</tr>
<tr>
<td>Sep-2012</td>
<td>7,194</td>
</tr>
</tbody>
</table>

The proposed requirement of 850 homes per annum is also higher than the figure of 792 produced by the 2007 SHMA (LEB/14). At the time that the SHMA was produced the economy and housing market were strong. The 2007 SHMA complies fully with the 2007 CLG SHMA practice guidance; as Section 24 of the 2007 SHMA explains.

NPPF requires that we take account of the need to provide affordable housing, and the Council has a good understanding of its affordable housing need through the 2010 SHMA update. While any increase in the delivery of more market houses would also deliver an increase in affordable housing, increasing the overall requirement will not in itself increase the delivery of affordable housing if the requirement is unrealistic and would not be matched by development on the ground.

With regard to the Sheffield/Rotherham housing market area, it is accepted that while the projections for Rotherham suggest a decreased requirement figure, the projection relating to Sheffield suggests that the housing requirement identified in the Sheffield Core Strategy is unlikely to meet future needs. The Memorandum of Understand (appendix 23 of RSD/12) addresses this issue by looking at the joint contribution made by Sheffield, Rotherham and the wider Sheffield City Region. In looking at this it is important to acknowledge Sheffield City Council’s commitment to an early review of the Core Strategy, which will include consideration of whether Green Belt will need to be re-allocated to meet future need.

I hope that this information provides the clarification required ahead of the hearing sessions. However if you consider that an exploratory meeting would be helpful then the Council would welcome the opportunity to discuss these matters in more detail.

Yours sincerely

Ryan Shepherd
Senior Planning Officer
Planning and Regeneration Service