

**South East Lincolnshire Local Plan
Spatial Strategy Technical Background Paper**

(February 2017)

1.0 Introduction

1.1 In May 2013, the South East Lincolnshire Joint Strategic Planning Committee (the Joint Committee) published its first consultation document relating to the contents of the emerging South East Lincolnshire Local Plan (the Local Plan). It was titled the 'Combined Preferred Options and Sustainability Appraisal Report' and was intended to be the first stage in the preparation of a 'Strategy and Policies Development Plan Document' (DPD), which along with the subsequent preparation of a Site Allocations DPD would comprise the Local Plan. The Combined Preferred Options and Sustainability Appraisal Report (the Preferred Options) set out an approach to housing delivery and distribution based on the previous regional policy framework (the 'East Midlands Regional Plan') and subsequent work undertaken on the Lincolnshire Coastal Study. The contents of this background paper seek to explain the process that has informed the emerging **revised** South East Lincolnshire Local Plan (SELLP) proposals for the quantity and distribution of housing development across South East Lincolnshire.

1.2 **Following the consultation on the Preferred Options in 2013, the Joint Committee considered the representations received alongside important changes to national planning policy and guidance. These considerations have mainly affected the Preferred Options approaches on meeting 'housing needs' and the distribution of housing to meet these needs in the settlements within the area covered by the SELLP. Key issues that have been taken into account include:**

- the publication of the Government's 'Planning Practice Guidance' (PPG) for England;
- Guidance from the Planning Advisory Service (PAS), published in July 2015, on a methodology to assess objectively assessed housing need;
- The recommendations of the Local Plan Expert Group (March 2016);
- Proposals set out in the Housing White Paper (February 2017);
- The decision of the Joint Committee that the SELLP should change its scope to form a single document covering the overall strategy for the area; specific allocations for housing, employment and other land use matters; and necessary development management policies;
- Further evidence on 'objectively assessed needs' for market and affordable housing set out in two strategic housing market assessments (SHMAs) that cover the housing markets within South East Lincolnshire; and
- Consideration of local and wider economic evidence.

2.0 National Policy and Guidance

National Planning Policy Framework (NPPF)

2.1 The National Planning Policy Framework (NPPF) sets out the key principles for planning including the presumption in favour of sustainable development, most notably in paragraph 14 where it states:

“For plan-making this means that:

- local planning authorities should positively seek opportunities to meet the development needs of their area;
- Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless:
 - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole; or
 - specific policies in this Framework indicate development should be restricted.⁹

2.2 The NPPF goes on to state in paragraph 47:

“To boost significantly the supply of housing, 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, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period;
- identify and update annually a supply of specific deliverable¹¹ sites sufficient to provide five years' worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land;
- identify a supply of specific, developable¹² sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15;
- for market and affordable housing, illustrate the expected rate of housing delivery through a housing trajectory for the plan period and set out a housing implementation strategy for the full range of housing describing how they will maintain delivery of a five-year supply of housing land to meet their housing target; and

- set out their own approach to housing density to reflect local circumstances.”

Planning Practice Guidance (PPG)

2.3 Further guidance is set out in the Planning Practice Guidance (PPG) within the section entitled “Housing and economic development needs assessments”. The key aspects outlined in the guidance include:

- The purpose is to derive an objective assessment of needs for housing and economic development;
- Parameters to consider in determining the Housing Market Area (HMA) for the plan area;
- Methodological approach to apply in assessing housing need and economic development needs; and
- The core outputs and monitoring framework that ideally should be applied.

2.4 It is important to note that the PPG states:

“Assessing development needs should be proportionate and does not require local councils to consider purely hypothetical future scenarios, only future scenarios that could be reasonably expected to occur.” (Paragraph: 003 Reference ID: 2a-003-20140306)

Planning Advisory Service (PAS) Guidance

2.5 The Planning Advisory Service (PAS) published guidance in July 2014 (subsequently updated in July 2015) to assist local authorities and other parties to consider appropriate methodologies to employ in deriving an objectively assessed housing need. The authors of the guidance are at pains to point out in paragraph 1.2:

“The note has no official status. It provides informal advice, which local authorities and others use at their own risk. It is based on existing good practice, our own experience and - most important – on the findings of planning Inspectors, both from formal reports and informal documents (letters, initial findings, preliminary observations etc) issued in the course of Local Plan examinations. We focus on total housing need, leaving aside the breakdown of that total by housing mix and tenure, but we do look closely at the relationship between overall and affordable need.”

2.6 The PAS guidance covers key topics for consideration including the identification of Housing Market Areas (HMAs); demographic projections; taking account of past provision and market signals; the relationship between employment forecasts and housing need; affordable housing need; and bringing all the evidence together to provide an OAN and then importantly

how this may translate into a housing requirement that is set out in a local plan.

Local Plan Expert Group (LPEG)

2.7 The Local Plan Expert Group (LPEG) was established in September 2015 by the then Communities Secretary Greg Clarke and his colleague Brandon Lewis (Minister for Planning). Its remit was to examine how local plans could be made more efficient and effective. LPEG brought their work together in a report presented to Government in March 2016. In terms of their view on local plans, LPEG identified that

- authorities are struggling to meet the requirements of a complex local plans process;
- housing needs are not being met; and
- communities are turned off by the length, slow pace and obscure nature of many local plans.

2.8 LPEG made specific recommendations with respect to deriving an OAN to inform local plan housing requirements. The group recommended that there was a need for:

“...a single, clear and simplified approach to calculating housing needs that will drive forward the Government’s objectives to improve affordability and opportunities for wider home ownership.”

Wording changes were proposed for Planning Practice Guidance to provide additional clarity on LPEG’s recommended methodological approach to deriving OAN.

2.9 Government invited representations on LPEG’s report with consultation closing at the end of April 2016. Parliament in turn established a review of the LPEG recommendations under the auspices of the Communities and Local Government Committee. Written and oral evidence was submitted to the Committee throughout June and July 2016.

Housing White Paper

2.10 Government published the Housing White Paper in February 2017 which identified the fundamental challenge for the delivery of housing as follows:

“The cause of our housing shortage is simple enough – not enough homes are being built. Fixing it is more complex. This is a problem that has built up over many decades, and solving it requires a radical re-think of our whole approach to home building.” (page 14)

2.11 The White Paper identifies measures requires around three themes to meet the challenge of improving housing delivery:

- plan for the right homes in the right places with a key element the need for up to date local plans;
- the need to build homes faster including the delivery of infrastructure; and
- diversifying the housing market to ensure a mix of housing providers can contribute to the delivery of new homes.

2.12 Government intend to consult further on a proposed standardised methodology for determining the objectively assessed housing need in due course. The key point to note at this juncture is that the work undertaken on assessing OAN for the SELLP is considered to be consistent with the contents of the Housing White Paper.

3.0 South East Lincolnshire Local Plan - the Preferred Options (May 2013)

3.1 There were two main factors that determined the strategy for making provision for housing needs in the Preferred Options: one was to 'limit' the overall amount of housing to be provided according to rates of development that had taken place since 1976. The other was to place significant emphasis on managing the level of housing development in flood-hazard locations and give the whole matter of flood risk precedence above considerations such as the 'sustainability' of settlements. This approach also suggested that a 'cap' on development should be placed on those settlements where flood risk was worst.

3.2 Chapter 4 of the Preferred Options set out the detail of how the emerging Local Plan intended to take forward the two factors noted above. The need to account for the flood risk was set out in Policy 5 of the now revoked East Midlands Regional Plan (the Regional Plan) which identified there was a need for a strategy to be prepared to provide a long-term strategic vision for the three Lincolnshire coastal districts (Boston Borough, East Lindsey District and South Holland District). The intention for the strategy was to:

- consider the flood risk issues facing the three districts;
- consider future regeneration and development needs; and
- determine how best to deliver a robust approach to flood management.

The Regional Plan further identified that housing development in the three coastal districts was to be limited to that set out in its Policy 13a until such time that a strategy was agreed to inform a future round of strategic planning (see Table 1 below).

Table 1 – Housing Provision derived from Policy 13a East Midlands Regional Plan

Local Authority Area	Annual Housing Provision (2006 onwards)	Total Housing Provision (2006-2026)
Boston BC	270	2700
South Holland DC	540	7400
South East Lincolnshire	810	10100

3.3 The Lincolnshire Coastal Study Steering Group was formed in 2008 to progress work on the proposed strategy. Consultants were commissioned to

prepare a 'Lincolnshire Coastal Study' (the LCS)¹ which was completed in March 2010. The LCS set out three guiding 'principles'² to inform future work on the review of the Regional Plan in respect of the three Lincolnshire coastal districts. The first two principles set out the need to manage the level of development in areas identified as hazardous with respect to flooding; and the general approach to mitigation where it was necessary/feasible to do so. The third principle set out the aim to improve social, economic and environmental conditions in existing and new communities by:

- 'Minimising the loss of high quality agricultural land;
- Diversifying the tourism industry;
- Improving green infrastructure;
- Protecting and enhancing water infrastructure;
- Protecting natural, cultural and historic assets;
- Improving transport infrastructure and services;
- Improving the quality of existing housing stock and access to jobs, training and services for local people'.

It was identified that there would be a particular focus on more deprived areas.

3.4 The LCS identified a number of flood-hazard zones that were designated Red, Orange, Yellow, Green and White. The outcome of the work was to propose that:

- major housing development would be largely delivered outside the three most severe forecast flood hazard zones (coloured red, orange and yellow – the 'ROY' zones)³;
- major housing development could be permitted in the low hazard zone (coloured green) subject to the mitigation of flood risk through flood-resilient design and emergency planning measures;

¹ Lincolnshire Coastal Study (2010) – available from Lincolnshire County Council's website at <https://www.lincolnshire.gov.uk/residents/environment-and-planning/environment/lincolnshire-coastal-study/>

² More detail on the principles is available at Lincolnshire County Council's website at <https://www.lincolnshire.gov.uk/residents/environment-and-planning/environment/lincolnshire-coastal-study/> (See the Summary Report – pages 12-14)

³ The LCS flood-hazard zones can be viewed at <https://www.lincolnshire.gov.uk/residents/environment-and-planning/environment/lincolnshire-coastal-study/> (See the Summary Report – pages 9-11)

- other development, including housing to meet local housing needs, employment and business-related development, community infrastructure and buildings for use in emergencies could be permitted in the ROY zones subject to the mitigation of flood risk;
- the key to the delivery of buildings in the flood hazard zones was the implementation of flood-resilient design and emergency planning measures;
- measures to reduce risk to people in all flood hazard zones through emergency planning and flood resilience and to improve wider socio-economic conditions in the Coastal Study area could be delivered in a variety of ways and should involve national government and government agencies, regional organisations, local authorities and private sector businesses.

3.4 The proposals to revoke the Regional Plan in 2010 led to joint statement⁴ being issued by the four local authorities involved in the LCS plus the Environment Agency and Natural England. This confirmed the intention to utilise the LCS as part of the evidence base for the preparation of local plans⁵ across the three coastal districts. A further statement in 2011⁶ reconfirmed this position.

3.5 One of the key outcomes from the publication of the LCS was further work on demographic projections for the three coastal districts. Consultants were engaged⁷ to produce population and household projections that considered the implications for development in the ROY zones and the rest of the districts' areas. The work considered six growth scenarios:

- **Migration-led A:** 2010-base, using the latest mid-year estimate revisions;

⁴ Taking Forward the Lincolnshire Coastal Study – Joint Statement by Lincolnshire County Council, Boston Borough Council, East Lindsey District Council, South Holland District Council, Environment Agency and Natural England (August 2010).

⁵ The statements refer to the preparation of Local Development Frameworks (LDFs) which was the overarching term previously used to describe the collection of plans that make up a “Local Plan”.

⁶ ADD REF

⁷ Edge Analytics (2012), Demographic Projections for Coastal Districts in Lincolnshire

- **Migration-led B:** 2010-base, constrained to latest ONS sub-national projections;
- **CR 10- Year:** Historical build rate scenario (based on recent housing completions over a ten year period);
- **RSS:** RSS scenario (based on targets in the East Midlands Regional Plan);
- **Zero dwelling:** Zero-dwelling growth scenario; and
- **Zero population:** Zero population growth scenario.

3.6 The population estimates indicated that in 2010, 85% of Boston Borough's population and 19% of South Holland District's population lived in the so-called wet areas (the ROY zone). Overall, 47% of South East Lincolnshire's population were resident in wet areas. Table 2 below sets out the expected annual housing requirement related to each scenario.

Table 2 – Annual Housing Requirement derived from Demographic Projections for Coastal Districts in Lincolnshire

Scenario	Average number of dwellings per year (2011-2031)			
	Boston (Wet)	Boston (Dry)	South Holland (Wet)	South Holland (Dry)
Migration-led A	507	58	76	645
Migration-led B	477	53	66	596
CR 10- Year	262	50	66	424
RSS	231	39	106	434
Zero dwelling	0	0	0	0
Zero population	62	15	20	109

3.7 The Preferred Options concluded that the key issues to address in the planning for housing growth and flood risk were:

- The need to provide a strategic response to the issue of flood risk that: ensures that new development has flood resistance and resilience

measures appropriate to its proposed use, location and for the lifetime of the development; ensures that future development does not increase the probability and severity of flooding; and reduces the probability of flooding in South East Lincolnshire through the development of infrastructure and strategic approaches to land use;

- In the proposed absence of a regionally-imposed target, a need to identify a requirement for housing growth in South East Lincolnshire up to 2031. Given that Boston Borough and South Holland District Councils retain their separate roles as local planning authorities for development management purposes, this requirement needs to be based on separate specified targets for Boston Borough and South Holland District - in order to address the issues arising from the requirement in the NPPF that local planning authorities maintain a supply of deliverable sites sufficient to provide 5-years' worth of housing against requirements with an additional buffer for flexibility; and
- In view of the distribution of flood hazard in South East Lincolnshire and national planning policy that indicates that additional housing may be necessary in flood risk areas to support sustainable development, there is a need to determine an approach to the provision of housing in those parts of South East Lincolnshire which are categorised as flood-hazard zone Red, Orange or Yellow (i.e. Danger for All, Danger for Most or Danger to Some), and together are described as the 'ROY zones'.

3.8 The Preferred Options then went on to identify potential reasonable options to account for how the plan would deal with flood risk, and in turn how this would influence the strategy for housing growth. It was concluded that a clear policy framework for the location and management of development with respect to flood risk was the **only reasonable approach** to be taken. In determining the housing growth strategy, **two reasonable options** were considered: one based in accordance with NPPF and objectively assessed need, and one that continued the figures from the Regional Plan but extended them to 2031. The

scenarios from the previous demographic projections were considered to be unreasonable either because the level of completions forecast (Migration Led A and B scenarios) were significantly higher than any previously achieved in the plan area or in the case of the zero population approach, would not meet the objectively assessed need for the plan area.

4.0 Revised Approach to Housing (2014 onwards)

- 4.1 Following the consultation on the Preferred Options, it was increasingly apparent that the approach to housing provision set out in that consultation document would need to be adjusted. This was partly as a result of the consultation response⁸ which highlighted objections to the quantum and location of development proposed in the consultation document. It was apparent that there were challenges in applying a cap limiting development that was based solely upon flood risk. Consultation responses raised questions as to how to meet housing needs when the cap was reached and how would the cap be monitored and enforced. It was also highlighted that the cap would have a particular impact on the Boston urban area, which had experienced significant population growth and was therefore likely to continue to be a focus for housing growth. In reconsidering the approach on what emphasis to give to flood risk in deciding locations for development, it should be emphasized that flood risk still remains a very high priority in planning development needs. There are significant limitations within the plan area as regards sustainable locations where flood risk can be avoided but with careful site selection and mitigation the policy approach will still be to minimise the potential consequences of flooding.
- 4.2 Further factors also contributed to the need for a change in approach. Evidence was emerging from Government guidance, principally through the publication of the Planning Practice Guidance (PPG) that set out the expected approach to be undertaken in assessing objectively assessed needs for housing. This required new studies with respect to the Strategic Housing Market Assessment (SHMA) for the South East Lincolnshire area. Section 5 sets out the details with respect to the derivation of the objectively assessed housing needs for the joint local plan area.
- 4.3 An additional factor to consider was the opportunity to move forward with a single plan rather than original intention to prepare two separate plans. The NPPF flagged the possibility that local plans could be based on a single document, signalling a move away from the previous Local Development Framework approach. This was further amplified in the PPG (Paragraph: 012 Reference ID: 12-012-20140306).

⁸ See further detail in the South East Lincolnshire Local Plan Consultation Statement (2017)

- 4.4 In light of the suggested approach set out in the NPPF and PPG, further consideration was undertaken by the Joint Committee at its meeting held on 28 February 2014⁹. An aspect of the need for further thought was the recognition that there was an increasing move towards single local plans by local authorities across the country. It was also recognised that the preparation of a single local plan would take more time and therefore working on a time period that extended to 2036 (as opposed to 2031 with the “two DPD” approach) would be of more practical use. The Joint Committee resolved to proceed to a single local plan document.

5.0 Evidence on Objectively Assessed Housing Needs

- 5.1 Significant changes to the evidence on population and housing needs have occurred since the Preferred Options went out to consultation in 2013. In particular, the Regional Plan was formally revoked and the results of the 2011 Census were released. Moreover, updated household projections were published by government in February 2015 and July 2016. The PPG specifically states that they should be the starting point for the objectively assessed need for housing. A final significant factor is the recently published Housing White Paper by Government. Government intend to consult further on a proposed standardised methodology for determining the objectively assessed housing need in due course. The key point to note at this juncture is that the work undertaken on assessing OAN for the SELLP is considered to be consistent with the contents of the Housing White Paper.
- 5.2 The South East Lincolnshire Local Plan area falls within two Housing Market Areas (HMA). South Holland District sits within a joint HMA encompassing the local authority areas of Peterborough City Council, South Kesteven District, Rutland County, as well as South Holland District.
- 5.3 Boston Borough has previously been identified within a joint HMA with East Lindsey District¹⁰. Duty to cooperate discussions between East Lindsey and Boston Councils held during 2010 had previously considered the opportunity to develop a joint local plan between the two local authorities¹¹. The conclusion was reached that a joint plan was not necessary. The formal alignment of Boston and South Holland Councils to produce a joint local plan occurred in 2011. The earlier work that derived a joint HMA for Boston and East Lindsey was directly connected to the previous regional planning regime, previously described in section 3 of this report. The Coastal Lincolnshire SHMA, published in 2012, recognised the changing policy environment with the impending revocation of the East Midlands Regional Strategy and the

⁹ The minutes of the Joint Committee meeting held on 28 February 2014 are available at the following link on the South East Lincolnshire Local Plan website - <http://www.southeastlincslocalplan.org/28th-february-2014/>

¹⁰ ORS for East Lindsey Council (September 2012), Coastal Lincolnshire Strategic Housing Market Assessment

¹¹ Further details are available in the South East Lincolnshire Local Plan Duty to Cooperate Statement (2017)

alignment of Boston and South Holland Councils to produce a joint local plan. East Lindsey Council published an update to the SHMA in 2014¹² which covered East Lindsey only. Further updates by East Lindsey in 2016¹³ have continued to focus on the housing market area within the district, whilst noting there are some links with Boston, principally connected to travel to work patterns.

- 5.4 Boston Borough Council commissioned its own SHMA work as part of the SELLP preparation¹⁴. Paragraphs 1.20 to 1.30 of the SHMA set out an analysis of what constitutes the Housing Market Area for Boston. The analysis highlights the national CLG research undertaken in 2010 that identified Boston in a “strategic HMA” with South Holland, and also noted that Boston operated as a “single tier HMA”. Further analysis included in the report includes data on commuting patterns and migration derived from the 2011 Census which highlights linkages between Boston and East Lindsey and South Holland. The report concludes with respect to the HMA analysis:

“On the basis of the high levels of migratory self-containment and commuting patterns identified, supported by the Practice Guidance’s definition, it is considered that Boston can be seen as a self-contained HMA. However, the data does support there being links with South Holland and East Lindsey in particular and it will be important for the Council to fully engage with these areas (and indeed other neighbouring authorities) in line with the Duty to Cooperate – this is likely to have a particular focus on housing numbers.” (paragraph 1.29)

Peterborough Sub-Regional Strategic Housing Market Assessment (2014)¹⁵

- 5.5 The original version of the Peterborough Sub-Regional Strategic Housing Market Assessment (the Peterborough SHMA) was published in July 2014. The Peterborough SHMA has followed the guidance set out in the PPG and has considered a range of scenarios utilising demographic and economic information to inform potential outcomes. The report has covered the issues of market signals and affordable housing, and has also considered the needs of specific groups of people within the housing market area. The report includes a useful diagram (page 15) that illustrates the approach undertaken by the consultants. The Peterborough SHMA has subsequently been updated twice to consider the publication of the latest household projections (February 2015 and July 2016).

¹² ORS for East Lindsey Council (January 2014), East Lindsey Strategic Housing Market Assessment Update

¹³ Edge Analytics for East Lindsey Council (October 2016), East Lindsey – Demographic Forecasts Updating the Evidence

¹⁴ JG Consulting for Boston Council (July 2015), Strategic Housing Market Assessment

¹⁵ GL Hearn for the Peterborough sub-region local authorities (July 2014), Peterborough Sub-Region Strategic Housing Market Assessment

5.6 The Peterborough SHMA provided an analysis of market signals (Chapter 5) and concluded that, in common with the national situation, there was likely to have been a degree of suppressed household formation in the area. The Peterborough SHMA identified that apart from Rutland County, the local evidence did not point to a particular need to boost housing supply to respond to market information. One issue identified was the increase in overcrowding in South Holland (and Peterborough) recorded between the 2001 and 2011 Censuses. This was attributed to the potential different household structures observed in in-migrant households over the decade.

5.7 The Peterborough SHMA set out a number of demographic projections:

- PROJ 1 (2011-based ONS¹⁶ and CLG¹⁷ projections rolled-forward to 2036)
- PROJ 2 (2011-based ONS and CLG projections updated to take account of more recent data about population growth)
- PROJ 2A (Linked to PROJ 2 above with a reduced household formation constraint)
- PROJ 3 (Linked to employment growth shown in an Experian baseline economic forecast)
- PROJ 4 (Linked to employment growth shown in an Experian baseline economic forecast with a 20% uplift)

5.8 The consultants concluded that it was not appropriate to also utilise the 2008 household projections commenting as follows:

“...it is not considered that the 2008-based projections can any longer be considered as sufficiently up-to-date. Since the 2008-based projections were published there have been two further releases of population projections and one of household projections. Additionally, data from the 2011 Census has shown that pre-Census estimates of population and household change were significantly wrong (at a national level population growth had been underestimated with the opposite trend being seen for household growth). Therefore any projections published prior to the 2011 Census cannot readily be used in the assessment of overall housing needs. That said, component parts of the 2008-based projections (such as household representative rates) are useful as a comparator with the more recent 2011- based projections and this is commented on later in this document.” (paragraph 6.9)

5.9 The consultants recommended that PROJ 2A provided the most plausible scenario to consider in terms of deriving the demographic aspect of housing need for the HMA. The report stated that the consultants,

¹⁶ Office for National Statistics

¹⁷ The Department for Communities and Local Government

“...have taken the pragmatic approach that future household formation will fall at the mid-point between figures in the 2011-based CLG projections (which appear to project forward a trend of constraint) and the data in the 2008-based figures (which are largely unconstrained).” (paragraph 6.34)

- 5.10 The Peterborough SHMA drew the various projections together for comparative purposes in Table 38 of the report which is reproduced below in Table 3 for convenience.

Table 3: Summary of Demographic Projections

	CLG 2011 (PROJ1)	Updated 2011 (PROJ 2)	Remodelled Headship (PROJ 2A)	Economic Baseline (PROJ 3)	Economic Aspiration (PROJ 4)
Migration Assumptions	ONS 2010/11	Updated	Updated	Experian driven	Experian +20%
Headship Assumptions	CLG 2011	CLG 2011	Updated	Updated	Updated
Peterborough	881	1001	1107	739	844
Rutland	178	129	138	173	184
South Holland	551	515	558	347	387
South Kesteven	670	615	659	642	706
TOTAL	2282	2260	2462	1901	2121

- 5.11 The Peterborough SHMA considered the need for affordable housing across the range of tenures, and concluded there was “...a clear and significant need for new affordable housing in the HMA justifying policies for affordable housing in development plans¹⁸.” Table 57 in the Peterborough SHMA suggested that about 54% of the annual housing need in South Holland would be for affordable housing. The study identified the role of the private rented sector (PRS) in potentially meeting some affordable housing need and concluded:

“...there is no strong evidence of a quantitative need to increase overall housing need above the levels identified by the baseline demographic projections in order to ensure delivery of sufficient affordable housing delivery over the plan period. Higher provision could however enable the councils to potentially reduce the role of the PRS moving forward and improve tenure imbalance.” (paragraph 10.18)

¹⁸ Paragraph 7.78

5.12 The key conclusions in the Peterborough SHMA were:

- The best fit of local authority boundaries for the HMA for the purposes of strategic planning included Peterborough City, Rutland County, South Holland and South Kesteven District Councils.
- The Peterborough SHMA in particular highlighted links from South Holland to Boston; from Peterborough to Yaxley in Huntingdonshire District and Whittlesey in Fenland District; and towards Wisbech in Fenland District. The balance between housing supply and demand in these areas would influence local market dynamics in parts of the HMA (and vice versa).
- Comparison of actual trends in household sizes observed in 2011 against the size which would have been expected had longer term formation trends been maintained (shown by the 2008 Household Projections) suggested a degree of suppression is likely to have occurred in the HMA over the past decade. As a result the consultants ran a projection that sat between the 2008 and 2011 CLG household projections (PROJ 2A).

5.13 The study concluded that for South Holland:

“...the main demographic-based projections indicate a need for 560 homes per annum. The affordable housing needs evidence provides a basis for considering higher housing provision. The sensitivity analysis considering household formation rates suggested that the need for housing could be higher, at around 580 homes per annum. Drawing the evidence together we consider that housing need would fall between 560-600 homes per annum. The lower end of this range is based on the demographic projections. The higher end recognises the potential for stronger household formation, and would contribute to higher affordable housing delivery”. (paragraph 10.26)

Peterborough Sub-Regional Strategic Housing Market Assessment Update (2015)¹⁹

5.14 In light of the publication of new household projections in February 2015, the partner local authorities decided to commission an update to the 2014 Peterborough SHMA. The update was published in October 2015.

¹⁹ GL Hearn for the Peterborough sub-region local authorities (October 2015), Peterborough Sub-Region Strategic Housing Market Assessment, 2015 Update Report

- 5.15 The update provided new information on the following matters set out in the previous Peterborough SHMA (2014):
- Analysis of objectively assessed housing need utilising the 2012 based population projections and 2012 based household projections published by Government; and
 - An assessment of affordable housing need and market signals.
- 5.16 The update initially considered in some detail the latest official data on population and households and undertook sensitivity analysis against four alternative approaches:
- Accounting for additional data on population from mid-year estimates published in 2013 and 2014;
 - Considering the potential impact of Unattributable Population Change (UPC) revealed by the 2011 Census results;
 - Two scenarios considering longer term migration trends (10 years in each case) based on one projection that modelled a constant rate of migration over the 10 years; and a second projection that compared the 10 year migration trend with shorter five year trends used in deriving the 2012 official population projections.
- 5.17 It was concluded that for the purposes of deriving an updated OAN that the official 2012 projections were considered the most robust figures to use. The update report stated:
- “Overall, it is considered that the 2012-based SNPP remains a sound demographic projection for the testing of population growth (and ultimately housing need) and it is noteworthy that the various sensitivity scenarios do broadly confirm the levels of population growth shown by the SNPP (when considered together and across the whole HMA)”. (paragraph 2.51)
- 5.18 For the sake of completeness and transparency, the update report brought together the implied housing figures that were generated by the population scenarios described above. The figures are set out in Table 15 of the update report and are reproduced below (Table 4).

Table 4: Projected housing need (per annum) under a range of different scenarios and 2012-based headship rates

	Peterborough	Rutland	South Holland	South Kesteven	HMA
2012-based SNPP	913	140	426	583	2063
2014 updated	665	103	360	640	1769
UPC adjustment	1004	108	392	535	2039
10-year migration (constant)	1311	118	532	609	2571
10-year migration (variable)	871	161	483	624	2139
Average of sensitivities	963	123	442	602	2129

5.19 The update report considered the relationship of demographic led household growth to the expected requirement resulting from economic growth forecast in the HMA. The analysis took the previous economic forecasts featured in the original Peterborough SHMA (2014). The update report also included analysis on commuting patterns; and “double jobbing” and employment rates to ensure a thorough understanding of employment trends. Further information on the outcomes of this analysis is set out in section paragraphs 5.52 to 5.64. The update study concluded with respect to economic factors:

“The analysis herein indicates that at the HMA level the forecast employment growth would require housing provision of 1,884 homes per annum. This level of housing need is below that derived from the demographic-led projections at the HMA level. However, the evidence suggests a need to adjust housing provision upwards in Rutland and South Kesteven to support employment growth. This has an impact on the ‘policy off’ assessment of OAN for these areas. It could be possible to address this through the local-plan preparation process by agreeing a different distribution of housing provision to meet this need elsewhere across the HMA. However this would constitute a ‘policy on’ approach.” (paragraph 3.32)

5.20 The update report provided a detailed analysis of the likely requirement for affordable housing within the constituent authorities in the HMA. In terms of South Holland, the estimate for annual net affordable housing need amounted to around 284 dwellings per annum (67% of the identified demographic derived housing need). The section on affordable housing concluded (at an HMA study level):

“Overall, in the period to 2036 a net 1,220 households per annum are expected to require support in meeting their housing needs. This is the OAN for affordable housing. There is thus a requirement for new affordable housing in the study area and the Councils are justified in seeking to secure additional affordable housing.

However, the link between the affordable housing need and the overall need for housing (or the objectively assessed need) is complex. Many of the households in need are already living in accommodation (existing households). Looking across tenures, the Private Rented Sector plays a role in meeting the shortfall of affordable housing.

The evidence in this sector however provides support for making adjustments to the modelling of overall housing need to improve affordability, and meet housing needs from concealed and homeless households. This can be quantified through cross-referencing with the demographic analysis and is considered further in the concluding section.” (paragraphs 4.85 to 4.87)

5.21 Market signals was the final matter considered in the update report. House prices and rental values for housing were analysed to determine whether there was any justification for applying a market signals uplift factor to the OAN. The section in the update report concluded:

“The updated housing market signals considered in this section show that the housing market has improved since the publication of the 2014 SHMA as confidence has returned to the market. The result is greater market activity and increases in house prices in all areas. The improved economy has also brought increased employment and wages and so the HMA has seen a slight increase in terms of affordability. In addition stock mismatch is a major issue with the stock mix not meeting needs as well as it could.

The evidence overall is however clearly mixed, with evidence suggesting that there has been a broad balance between supply and demand in recent years; with housing market conditions starting to improve over the period since 2013 but from a low level (not least in terms of sales volumes).” (paragraphs 5.18 to 5.19)

5.22 The update report brought together all the analysis into a final concluding chapter. Table 51 of the update report collated the components of housing

need making up the consultant's recommendation on what should constitute the OAN for each local authority. This is reproduced below (Table 5).

Table 5: Composition of OAN (2011-2036)

Homes per annum 2011-36	Peterborough	Rutland	South Holland	South Kesteven	HMA
Demographic led Need	913	140	426	583	2062
Adjustments to Support Economic Growth	0	23	0	43	66
Adjustments to Improve Affordability	93	8	2	10	113
Total Need	1006	171	428	636	2241

5.23 The update report concluded:

“The Objectively Assessed Need figures identified in this report are lower than those identified in the 2014 SHMA. The 2014 SHMA was prepared before the 2012-based Population and Household Projections were issued by ONS and CLG respectively. These are the first set of official projections to take full account of the 2011 Census and what this shows regarding demographic dynamics. The 2014 SHMA was based principally on pre-Census estimates of migration, whereas this report takes account of the latest official data and is consistent with the approach which is advised in Planning Practice Guidance of using the latest official projections.

The housing need shown in this report is lower than that estimated in the 2014 SHMA Report principally due to projected migration, and as a result overall population growth, in Peterborough, South Holland, and South Kesteven being lower in the latest projections than in the previous ones. The lower OAN figures in these authorities do not however reflect a worsening housing market in the HMA – indeed the market signals show the housing market has improved since the publication of the previous report.”
(paragraphs 6.35 to 6.36)

Peterborough Housing Market Area and Boston Borough Council Strategic Housing Market Assessment Update (2017)²⁰

5.24 The need for a further update of the Peterborough SHMA was principally triggered by the publication of new population and household projections by Government in 2016. An additional factor taken into consideration was the publication of the Local Plan Expert Group's (LPEG) report²¹ to Government on proposed reforms to the process of producing local plans. The LPEG included a proposed methodology for deriving an objectively assessed housing need that they advocated as a consistent approach to be utilised by local authorities. The recently published Housing White Paper picks up elements of LPEG's work and further consultation is expected on a standard method for assessing objectively assessed housing need.

5.25 The update report sets out its remit clearly at the outset:

“This report provides an update to previous Strategic Housing Market Assessments (SHMA) for the Peterborough sub-region (Peterborough, Rutland, South Holland and South Kesteven) and Boston. In particular, the report considers the objectively assessed housing need (OAN) updating previous assessments to take account of new demographic and economic data. To be consistent with previous research, the report provides an assessment of need in the 2011-36 period.” (paragraph 1)

5.26 The latest update report initially considered the latest official data on population and households and applied some sensitivity analysis for population figures around three alternative scenarios:

- Implications of the 2015 mid-year population data – 2014-based SNPP (+Mid Year Estimates)
- Implications of 10-year migration trends – 10-year migration
- Implications of Unattributable Population Change (UPC) and 10-year migration trends – 10-year migration (+UPC)

5.27 The population results from the alternative scenarios were set out in a series of tables in the update report (Figure 2.8 to 2.13). The results for South Holland are contained in Figure 2.12 of the update report and are reproduced below (Table 6). A similar table is produced for Boston which is set out in the section below that considers the Boston HMA (see Table 9).

²⁰ JGC Consulting for the Peterborough sub-region local authorities and Boston Borough Council (February 2017), Peterborough Housing Market Area and Boston Borough Council Strategic Housing Market Assessment Update

²¹ Local Plans Expert Group (March 2016), “LOCAL PLANS, Report to the Communities Secretary and to the Minister of Housing and Planning”

Table 6: Projected population growth in South Holland (2011-2036)

	Population (2011)	Population (2036)	Change in population	% Change
2014-based SNPP	88,390	104,591	16,201	18.3%
2014-based SNPP (+MYE)	88,390	104,633	16,243	18.4%
10-year migration	88,390	110,259	21,869	24.7%
10-year migration (+UPC)	88,390	109,395	21,005	23.8%

5.28 The update report considered the relative merits of the various scenarios for use as the principal building block in deriving household projections. The section in the update report concluded:

“Overall, the modelling to follow continues to look at the four scenarios developed. However, in drawing conclusions about a reasonable level of population growth to plan for, the official projections and those linked to 10-year trends (without a UPC adjustment) should be the main ones used to understand potential housing need. These two projections essentially set out a range of population growth (and hence housing need), in terms of the PPG, the latest official projections set the ‘start point’ for analysis.” (paragraph 2.40)

5.29 The update report then considered the translation of population projections into household projections. The report provided a detailed analysis of key issues to consider with respect to household projections including household representative rates (the number of people counted as heads of a household) and the relationship to two factors - suppressed household; and migration.

5.30 The analysis in the update report brought together population and household projections to consider the likely housing need for the two HMAs. The report set out in Figures 2.19 to 2.24 the projections for housing need. Table 7 below reproduces the projection for South Holland (Figure 2.23 in the update report) setting out the housing need across the four scenarios previously described in paragraph 5.26.

Table 7: Projected housing need in South Holland (2011-2036)

	Households (2011)	Households (2036)	Change in households (2011-2036)	Annual change in households	Dwellings per annum
2014-based SNPP	37,316	45,782	8,466	339	345
2014-based SNPP (+MYE)	37,316	45,792	8,476	339	345
10-year migration	37,316	47,948	10,632	425	433
10-year migration (+UPC)	37,316	47,472	10,156	406	414

5.31 The update report considered the potential impact of Brexit. The report concluded:

“On the basis of this analysis (i.e. reflecting the fact that not all of the international migration is EU related and the fact that ONS are already projecting a reduction in international migration) it is difficult to confidently say what impact Brexit will have on migration levels, population growth and housing need. At the present time it is considered that using the latest official projections (including with adjustments such as 10-year migration trends) will provide the best estimates of future need. However, the figures should be kept under review, should there be any notable changes as a result of the UK leaving the EU. The next set of ONS projections to be produced (2016-based) will need to reflect a view about the impact of Brexit, and the Councils should consider reviewing this evidence when it is released. Clearly there are other issues at play; including how long it takes to actually leave the EU, and what deal is struck in terms of the movement of labour.” (paragraph 2.80)

5.32 The update report considered in detail the relationship between employment and housing need. The report noted the difficulties encountered in drawing robust evidence together to demonstrate how employment forecasts may impact on housing need. Further information on the outcomes of the economic analysis is set out in paragraphs 5.52 to 5.64 of this technical background paper. The update study concluded with respect to economic factors in the key messages box at the end of section 3:

“In running the modelling, it is estimated that to meet the job growth forecast there would need to be provision of about 2,215 dwellings per annum across the study area²² (2011-36). This figure sits comfortably with the demographic

²² The study area referred to includes the four authorities in the Peterborough HMA (Peterborough, Rutland, South Holland and South Kesteven) and Boston.

projection linked to 10-year migration trends (a need for 2,390 dwellings per annum) and across the study area there can be expected to be a good balance between jobs and the population to take up employment opportunities.”

5.33 The job led scenario derived for this update report suggested a housing need for South Holland of 433 dwellings per annum (see Figure 3.15 of the update report).

5.34 The update report considered affordable housing and states:

“Full assessments of affordable housing need have recently been carried out in both the Peterborough HMA (October 2015) and Boston (July 2015) and so this report provides just a selected update to key variables where new information is available. The methodologies used in the previous assessments are broadly similar and full methodology can be found in the relevant documents for those studies...” (paragraph 4.7)

5.35 The update study highlighted the following key variables noting the latest source of data in each instance:

- Housing costs (private sector rent levels) – drawing on the latest Valuation Office Agency data covering a 12-month period to September 2016
- Income data – taking account of new data about local incomes (including information from the Annual Survey of Hours and Earnings (2016) and small area income estimates from ONS (published in October 2015)
- Estimates of the number of newly forming households – this is a direct output of the demographic modelling; and
- Estimates of the supply of affordable housing from relets – taken from Continuous Recording of Lettings data (CoRe) up to 2016

5.36 The analysis of latest data is drawn together in Figures 4.7 and 4.8 of the update report. The net annual need for affordable housing amounts to 282 for South Holland (see Figure 4.7 of the update study) which is a difference of minus 2 dwellings compared to the previous analysis undertaken in 2015 (see Figure 4.8 of the update study).

5.37 Market signals are considered in the update report and in drawing the analysis together the report concludes:

“Overall the analysis of market signals points towards limited affordability pressures, although the analysis suggests this is not dissimilar to that seen in other locations and therefore there is no strong evidence that housing provision should be increased... Looking generally across the study area (and noting initially that Rutland only makes up a small part of the population and households), the only topic where some increase might be merited is in

relation to concealed households – as noted in the affordable housing section, these households do not form part of the demographic assessment of need.” (paragraph 5.35)

Boston Strategic Housing Market Assessment (2015)

5.38 As previously noted in paragraph 5.4, Boston Borough Council commissioned its own SHMA, published in 2015²³. The report provided an OAN for the Boston BC part of the joint South East Lincolnshire plan area.

5.39 The Boston SHMA set out demographic projections for the borough. The starting point was based on the 2012 based population and household projections. Two alternative scenarios were included – one based on using projections that reflected the longer term migrations changes observed in the area (over a 12 year period) and one that made an adjustment for the unattributable population change that featured in the Census. The outcome from these scenarios is shown in Table 8 illustrating that the two alternative scenarios bracket around the latest household projections scenario.

Table 8: Summary of Demographic Projections (Boston SHMA)

	2012 based rates	12 year migration rate	UPC adjustment
Dwellings (per annum)	283	364	219

5.40 The Boston SHMA considered economic factors, drawing upon standard forecasts from Experian. The forecast from Experian suggested an increase of just over 3,000 jobs in the borough between 2011 and 2031. Extrapolating the trend through to 2036 brought the job figure to around 3,800. The report noted that this level of expected jobs would imply a housing figure of about 185 dwellings per annum compared to the demographic projection of 283 dwellings per annum. It was therefore concluded that there was no reason to increase the dwelling figure as a result of economic projections.

5.41 Affordable housing needs were also assessed in the Boston SHMA. Over the plan period the modelling indicated an annual average requirement of about 250 dwellings. The analysis concluded:

“...the link between the affordable housing need and the overall need for housing (or the objectively assessed need) is complex. Once account is taken of the fact that many of the households in need are already living in accommodation (existing households) and the role played by the private rented sector, the analysis does not suggest that there is any strong evidence

²³ JG Consulting for Boston Council (July 2015), Strategic Housing Market Assessment

of a need to consider additional housing to help meet the need. However, some additional housing could potentially be considered as part of a market signals adjustment to help improve affordability for younger households. A modest uplift would not be expected to generate any significant population growth (over and above that shown by demographic projections) such that consideration of lower housing numbers in other areas would need to be agreed through duty to cooperate.” (paragraph 18)

- 5.42 Market signals were then covered in the report. The report identified that there had been:

“...some modest affordability pressures in the Borough, particularly due to high private sector rents, levels of overcrowding and affordability (linked to affordable housing need). However, on balance it is considered that the scale of adjustment to housing supply over and above demographic-led projections should only be moderate.” (paragraph 22)

- 5.43 It was suggested in the Boston SHMA that a particular issue was household formation amongst the 25 to 34 year old age cohort (lower than expected headship rates are evident). The consultants applied a return to 2008 household projections for the headship rates in this age group which equated to an uplift in the order of about seven per cent on the demographic projection. The assessed housing need would therefore increase. The report recommended that the OAN would therefore equate to 302 dwellings per annum.

Peterborough Housing Market Area and Boston Borough Council Strategic Housing Market Assessment Update (2017)²⁴

- 5.44 Paragraphs 5.24 to 5.26 of this technical background paper provide the rationale for the latest update on SHMA information.
- 5.45 The population results from the alternative scenarios are set out in a series of tables in the update report (Figure 2.8 to 2.13). The results for Boston are contained in Figure 2.9 of the update report and are reproduced below (Table 9).

²⁴ JGC Consulting or the Peterborough sub-region local authorities and Boston Borough Council (2017), Peterborough Housing Market Area and Boston Borough Council Strategic Housing Market Assessment Update

Table 9: Projected population growth in Boston (2011-2036)

	Population (2011)	Population (2036)	Change in population	% Change
2014-based SNPP	64,615	75,978	11,363	17.6%
2014-based SNPP (+MYE)	64,615	75,420	10,805	16.7%
10-year migration	64,615	79,235	14,620	22.6%
10-year migration (+UPC)	64,615	77,767	13,152	20.4%

5.46 The analysis in the update report brought together population and household projections to consider the likely housing need for the two HMAs. The report set out in Figures 2.19 to 2.24 the projections for housing need. Table 10 below reproduces the projection for Boston (Figure 2.20 in the update report) setting out the housing need across the four scenarios previously described in paragraph 5.24.

Table 10: Projected housing need in Boston (2011-2036)

	Households (2011)	Households (2036)	Change in households (2011-2036)	Annual change in households	Dwellings per annum
2014-based SNPP	27,275	32,906	5,631	225	229
2014-based SNPP (+MYE)	27,275	32,749	5,474	219	223
10-year migration	27,275	34,190	6,915	277	281
10-year migration (+UPC)	27,275	33,650	6,375	255	259

5.47 The update report set out in detail the relationship between employment and housing need. The report noted the difficulties encountered in drawing robust evidence together to demonstrate how employment forecasts may impact on housing need. Further information on the outcomes of the economic analysis is set out in section paragraphs 5.52 to 5.64. The update study concluded with respect to economic factors in the key messages box at the end of section 3:

“In running the modelling, it is estimated that to meet the job growth forecast there would need to be provision of about 2,215 dwellings per annum across

the study area²⁵ (2011-36). This figure sits comfortably with the demographic projection linked to 10-year migration trends (a need for 2,390 dwellings per annum) and across the study area there can be expected to be a good balance between jobs and the population to take up employment opportunities.”

5.48 The job led scenario derived for this update report suggested a housing need for Boston of 220 dwellings per annum (see Figure 3.15 of the update report).

5.49 The update report next turned to consider affordable housing and stated in the opening paragraph:

“Full assessments of affordable housing need have recently been carried out in both the Peterborough HMA (October 2015) and Boston (July 2015) and so this report provides just a selected update to key variables where new information is available. The methodologies used in the previous assessments are broadly similar and full methodology can be found in the relevant documents for those studies.” (paragraph 4.7)

5.50 The analysis of latest data is drawn together in Figures 4.6 and 4.7 of the update report. The net annual need for affordable housing amounts to 229 for Boston (see Figure 4.6 of the update study) which is a difference of minus 21 dwellings compared to the previous analysis undertaken in 2015 (see Figure 4.7 of the update study).

5.51 Market signals were considered in the update report and in drawing the analysis together the report concluded:

“Overall the analysis of market signals points towards limited affordability pressures, although the analysis suggests this is not dissimilar to that seen in other locations and therefore there is no strong evidence that housing provision should be increased... Looking generally across the study area (and noting initially that Rutland only makes up a small part of the population and households), the only topic where some increase might be merited is in relation to concealed households – as noted in the affordable housing section, these households do not form part of the demographic assessment of need.” (paragraph 5.35)

²⁵ The study area referred to includes the four authorities in the Peterborough HMA (Peterborough, Rutland, South Holland and South Kesteven) and Boston.

Links to other Economic Projections/ Strategies

- 5.52 It is necessary to consider the work undertaken in the SHMAs alongside relevant economic strategies. This enables comparisons to be made between the economic assumptions utilised in the SHMAs and those set out in economic strategies to ensure there is a broad comparability between studies/strategies.
- 5.53 The first step is to consider the economic information that is set out in the various SHMA reports.

Peterborough Sub-Regional Strategic Housing Market Assessment (2014) and Peterborough Sub-Regional Strategic Housing Market Assessment Update (2015)

- 5.54 The original SHMA (2014) produced for the sub-region encompassing South Holland considered employment forecasts produced by Experian. Comparisons were made with forecasts produced by the East of England Forecasting Model (EEFM) which was developed by Oxford Economics and trend based information on past employment growth. The report concluded:
- “Drawing the analysis together we consider that the baseline Experian forecasts for the four authorities seem to provide a reasonable projection for future performance. Economic strategy and key investments provide some upside assessment to this, and although there are some downside risks it would be prudent to test the potential to support stronger performance. We have therefore sought to model a second ‘Aspirational’ Economic Scenario based on a 20% uplift employment growth on a year-on-year basis in all four authorities over the period to 2036.” (paragraph 4.57)
- 5.55 The key message to draw from the employment led projections (PROJ 3 and PROJ 4) that feature in the Peterborough SHMA is that they generated employment need that was lower than the recommended baseline projection (PROJ 2A). In numerical terms, PROJ 2A was expected to lead to an growth in employment of around 13,800 jobs in South Holland over the period 2011 to 2036. In comparison, the employment led projections (PROJ 3 and PROJ 4) were projected to lead to an increase of 6,600 and 7,900 jobs respectively.
- 5.56 The update report (2015) utilised the same economic data as that used in the original 2014 SHMA. In terms of the employment led projections, the number of jobs forecast for South Holland amounted to between 5,900 and 7,100 (baseline and 20% uplift scenarios). This compares with the estimate of 6,600 to 7,900 jobs in the earlier Peterborough SHMA (2014).

Boston Strategic Housing Market Assessment (2015)

5.57 The estimate in the Boston SHMA is that over the period 2011 to 2036 some 3,800 additional jobs are expected to be created. The data is based on a 2013 Experian forecast. The report notes that based on the population projection for Boston, the estimated number of jobs required to support the level of growth would be around 7,350 jobs.

Peterborough Housing Market Area and Boston Borough Council Strategic Housing Market Assessment Update (2017)

5.58 The further update report (2017) provides new economic forecasts based on the East of England Forecasting Model (EEFM). The logic for using EEFM is that it has a 2015 base which corresponds with the population projections that are also 2015 based. The EEFM forecasts an estimated increase between 2015 and 2036 as follows:

- South Holland – 8,400 jobs
- Boston – up to 4,700 jobs²⁶

Other Strategies

5.59 A number of other economic strategies are of important to consider including:

- Greater Lincolnshire Local Economic Partnership (GLLEP) Strategic Economic Plan (2014); and
- South East Lincolnshire Employment Premises & Land Review (2012)

5.60 The GLLEP Strategic Economic Plan was published in 2014. The plan sets out priorities for growth across the Greater Lincolnshire area with key projects identified for delivery in 2015/16 and 2016/17. The plan has long term objectives of:

- increasing the value of the Greater Lincolnshire economy by £3.2 billion;
- assisting 22,000 businesses in terms of advice and funding; and
- creating 13,000 jobs by 2030.

5.61 It is important to note that the intention to create 13,000 jobs is for the whole of the Greater Lincolnshire area and there is no disaggregation of the job figures into the local authority areas. The plan does, however, identify specific projects that fall within Boston and South Holland including proposals for the Spalding Western Relief Road, Boston distributor road and Boston Barrier.

²⁶ The EEFM does not contain specific data for Boston. A separate 'sectoral' analysis was carried out comparing growth in other areas (the whole study area, regionally and nationally) with employment sectors in the Boston.

5.62 The South East Lincolnshire Employment Premises and Land Review was published in 2012 to inform the emerging local plan on various economic matters. It focussed on the traditional approach of assessing employment land trends and requirements within the “B” class land uses. The study included a number of potential future economic scenarios to inform the estimates for employment land requirements including:

- Baseline Job Growth (forecast produced by Experian)
- Higher Job Growth (variation from Experian baseline with a 20% uplift in the growth of industrial jobs compared to the baseline forecast)
- Past Development Rates (based on completion rates trends from 2004 to 2012)
- Lower Past Development Rates (completion rates over the same time period but 2007/08 removed as an anomalous year due to a high rate of completions)
- Future Labour Supply (based on growth of 810 dwellings per annum for a plan period to 2026, adjusted to reflect the plan period to 2031)

5.63 The Employment Premises study highlighted implied job levels that would be expected to be derived from the various scenarios (see Figure 5.3 in the report) – job growth would vary between 76 jobs per annum to 412 jobs per annum. This compares with the job estimates in the SHMAs as follows:

- South Holland – ranging between 6,600 jobs to 13,800 jobs by 2036 (264 to 552 jobs per annum); and
- Boston – approximately 3,800 to 4,700 additional jobs by 2036 (152 to 223 jobs per annum)

5.64 An important point to note in comparing job numbers is that the Employment Premises study purely considers jobs within the “B” use classes whilst the Experian figures for the SMHA includes jobs in other sectors (e.g. education and retail). In broad terms, the job estimates contained in the Employment Premises study are therefore consistent with the forecasts for jobs within the SHMA studies.