

Report of	Meeting	Date
Director of Planning and Development) (Introduced by the Executive Member (Economic Development and Public Service Reform))	Executive Member Decision	16 February 2020

Preston City Council and Chorley Council Housing Need and Demand Assessment

Purpose of report

- To approve to jointly commission Arc4 for the Housing Need and Demand Assessment with Preston City Council.

Recommendation(s)

- To approve to jointly commission Arc4 for the Housing Need and Demand Assessment with Preston City Council.

Executive summary of report

- To approve to jointly commission Arc4 for the Housing Need and Demand Assessment with Preston City Council at a total cost of £41,563.

Confidential report Please bold as appropriate	Yes	No
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Key Decision? Please bold as appropriate	Yes	No
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Reasons for recommendation(s)

(If the recommendations are accepted)

- A Housing Need and Demand Assessment for the two authorities is required as part of the evidence for the Local Plan. South Ribble Borough Council completed a Rural Housing Needs Study with Arc4 in 2020.

Alternative options considered and rejected

- None

Corporate priorities

- This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all	x	A strong local economy	
Clean, safe and healthy homes and communities		An ambitious council that does more to meet the needs of residents and the local area	x

Background

7. The previous Housing Needs and Demand Assessment jointly commissioned for Preston City Council and South Ribble Borough Council was carried out in 2013. The findings for each authority were reported separately. The study combined quantitative and qualitative tools in a mixed methodology utilising secondary data, previous research and questionnaire survey of 11,176 households in Preston. Chorley Council's last HNDA study – a Rural Housing Needs Study 2011 had a questionnaire survey of 5,330 households and covered 15 rural parishes.
8. ICENI carried out a Central Lancashire Housing Study in March 2020 which provided an up to date evidence base regarding the scale, type and mix of housing needed to inform the development of the local plan on a local authority level. It is now necessary to build on this work and drill down further to a ward / parish level and including a household survey.
9. Arc4 have already undertaken an additional housing needs study in 2019 for South Ribble Borough Council and had approached Chorley and Preston Councils to explore joining into this commission. However, that additional study did not include a household survey and the specification very closely replicates the work IcenI have been commissioned to do.

The Study Requirements and Outputs

10. The completed study will be used by Preston City Council, Chorley Borough Council and its partners to:
 - Provide detailed market analysis of housing need, demand, and supply, and provide evidence of the future requirement at a detailed level to build upon the ICENI report and the redistribution of housing figures.
 - Better understand the housing market drivers in the city / boroughs and how these may change in the future at both city/borough wide and at ward/parish level
 - Provide the evidence base to support the Local Plan and local Housing Strategies and Policies. The assessment will also inform the provision of other services such as education, health and transport.
 - Identify the potential and specific requirements for all types of housing at ward/parish level and as a consequence develop and inform emerging or new housing policies within the city/borough in relation to type, size, location and tenure.
 - Identify the housing needs of specific groups at ward/parish level within the city/borough.
 - Provide a clear and robust evidence base which all partners and agencies can use to better understand the current and future nature of the Council's housing needs.
11. **Study Required Outputs:** A review of the impact of recent national policies, strategies and initiatives on future housing requirements as well as modelling the future impacts of:
 - Welfare Reform, especially Universal Credit and the extent to which it supports overall housing costs and changes in entitlement to Housing Benefit/Local Housing Allowance and the under-occupation charge.
 - The reduction in grant funding for Registered Providers developing new affordable housing.
 - Affordable Rents and their capacity to fund new development.
 - The New Homes Bonus incentive to local authorities based on the Council Tax raised from building new homes or returning empty ones to use.
 - The enhanced Right to Buy discount.
 - Very low interest rates by historic standards.
 - The difficulty of accessing home ownership for those without a large deposit.

12. Data provided within the study needs to be broken down by ward area and parishes within the rural wards of Preston City Council and Chorley Council. In Chorley there are currently 20 wards, although following a boundary review borough wards will reduce to 14 in May 2021). There remains 23 parishes and Chorley Town is non-parished. The Study requests that the current ward-based data in Chorley is easily converted to the new ward boundaries in May 2021.
13. The purpose of the proposed household survey is to:
 - Inform the strategies, policies and decisions of Preston City and Chorley Council's, their partners and other agencies in addressing housing, accommodation and related issues.
 - Gather and present up-to-date evidence of the level and type of housing need based on existing households over the next 5 years, and an indication of likely future change in level over the next 10 years (up to 2030).
 - Provide evidence about the reasons behind the need rather than merely describe its nature and extent.
 - Assist the Council's, their partners and other agencies to adopt a more integrated approach to housing and planning strategy, policy development and review.

The Study Bids

14. Two bids were received from Arc4 priced at £41,563 (£50k with vat) and Icen Projects priced at £41,555.
15. The Arc4 submission has provided more detail, graphics and examples than the Icen submission. Arc4 will undertake 29,000 household surveys plus an online option with Chorley surveys totalling 14,533 households. Icen would do 20,000 household surveys split between the authorities plus online survey.
16. It is considered the Arc4 submission is better and will complement their work undertaken for South Ribble Borough Council although this work did not undertake a household survey.
17. The study will be paid through the Local Plan budget. The study will commence in February with a draft report in May and finalisation in June 2021.

Implications of report

18. There is no risk in undertaking the housing need and demand study as Preston City Council will procure this study and recharge Chorley Council.
19. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	x	Customer Services	
Human Resources		Equality and Diversity	
Legal		Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

Comments of the Statutory Finance Officer

20. The budget for this work is included in the council's revenue budget for the refresh of the local plan.

Comments of the Monitoring Officer

21. This is an intermediate level procurement which would usually require a procurement exercise. However members can be satisfied the market has been tested and given the specialist nature of the work and the local knowledge of the consultants the proposed award is appropriate.

Jonathan Noad
Director of Planning and Development

Report Author	Ext	Date
Alison Marland	5281	11 February 2021

Following careful consideration and assessment of the contents of this report, I approve the recommendation(s) contained in Paragraph 2 of the report in accordance with my delegated power to make executive decisions.



_____ Dated 17.02.21_____

Councillor Alistair Bradley
Executive Member (Economic Development and Public Service Reform)