

Appendix 4 - Updated Background Study

Objectively Assessed Need for Housing for Brighton & Hove, GL Hearn, June 2015

The purpose of the updated background study is to reconsider the Objectively Assessed Need (OAN) for housing in Brighton & Hove to take account of the release of 2012-based Household Projections by Government in February 2015. The report considers housing needs over the period from 2010 to 2030 and the approach used follows the recommended approach in the Government's Planning Practice Guidance (PPG).

The 2012-based Sub-National Population Projections expect the City's population to grow by 42,200 persons between 2010-30 (15.7%). This is consistent with the projected rate of population growth across the South East, and above the rate expected nationally.

The CLG 2012-based Household Projections make more positive assumptions on future household formation than those in the CLG 2011-based Interim Household Projections. The 2012-based Household Projections indicate a need for 26,600 homes (1333 per annum), taking account of 2013 Mid-Year Population Estimates.

In establishing future housing need, the consultants also took account of how housing need might be influenced by employment growth, market signals and affordable housing need.

Given the considerable need for affordable homes and taking account of the demographic projections analysis, GL Hearn considered that upward adjustments should be made to the assessed housing need to help improve affordability for younger households over the plan period.

The study recommends that 30,120 homes over the 2010-30 period, represents the full Objectively Assessed Need for Housing (1,506 homes per annum).

These findings represent a "policy off" assessment of housing need. The study recognises that land supply issues within the City, and the geographical constraints of its location, mean that it is highly unlikely that this assessed need can be met in full.

In terms of the need for different dwelling sizes, the the study suggests that the focus of new market housing provision should be on two and three-bed properties. This reflects continuing demand for housing from younger persons and young families. The study also acknowledges that there may be some demand for medium-sized properties (2 and 3 beds) from older households downsizing and looking to release equity in existing homes, but still retain flexibility for friends and family to visit.

The report also suggests a need for around 1,290 additional specialist units for older people in Brighton & Hove between 2010-30 (64 per annum). This identified need for specialist housing for older persons includes extra care and sheltered housing, with the majority of the need expected to be for market housing.