

**Report to the Planning Inspector regarding the development process and subsequent flaws in the research underpinning Bradford's Local Plan - Bradford wide**

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**This report shows that the Local Plan that is being proposed by Bradford Metropolitan District Council is unsound in so far as it is not based on an impartial, objective and accurate body of evidence. Furthermore it establishes that Local Authority Officers have failed to manage the plan development process appropriately and calls for an enquiry into these matters.**

Plan meetings and processes have been dominated by developers and industry representatives. There has been lack of representation by services/professionals that know the needs of the population and Elected Members have been excluded. In addition, there has been a general lack of transparency and scrutiny in relation to meetings which are largely un-minuted or where minutes have been taken they have not been published therefore the process has been:

- Anti-competitive – competitors are not able to keep up with the information generated in meetings therefore participants have a potential competitive advantage
- Not constrained – Officers who know minutes are being taken are more likely to be circumspect in what they say and mindful about disclosing information they should not. They are also likely to be more mindful in terms of maintaining boundaries regarding influence
- Not open to scrutiny – This is intensely problematic as there are incredible amounts of money as well as long-term consequences for Bradford residents riding on this

This weakness is apparent in the central thrust of the plan which posits an extremely high number of greenbelt deletions and disproportionate development in affluent areas with low natural population growth while leaving the vast numbers of brownfield sites that are blighting Keighley and Bradford derelict and delivering insufficient housing in poorer areas with high population growth. It is also apparent in the Council's failure to explore alternative approaches to housing development that might address the needs of the district's population by increasing the number of genuinely affordable or social houses. Not even basic options such as relocating the 'affordable' element/quota from high value areas to areas of high need has been considered (or if it has it has not appeared in the Plan or underpinning documentation). Instead we have a plan that is clearly framed around developers' desires to maximise profits. The starting point appears to have been the SHLAA.

In these circumstances it may be difficult for Local Authority (LA) staff to remain mindful of the fact that the primary objective of developers is to generate profits. Their interest in the long-term economic future of an area such as Bradford is limited, particularly where the developers in question cover a wide geographical area and are geared towards transferring their operations elsewhere once the returns immediately available in a particular district have been fully exploited. It is even more problematic for LA staff to maintain an appropriately critical perspective where they are relying upon companies that are simultaneously providing services to landowners or developers with a direct financial interest in the outcomes of local plans for the research that underpins those plans. While it is not uncommon for planning

consultants to operate on behalf of both planning authorities and developers it gives rise to serious concerns around conflicts of interest where they do so simultaneously or within a tight time scale. In engaging consultants this risk is usually addressed by inserting clauses into contracts that limit their freedom to work for particular classes of clients within a particular timeframe and geographical area. That Bradford's Officers have failed to do this in at least one instance is evidenced by the fact that within the timescale of the LDF/Local Plan development process GVA has functioned as an agent in the disposal of at least one prime greenbelt site within Wharfedale (at Ben Rhydding Drive, Ilkley) while delivering studies to the Council that give rise to predictions regarding future population growth and therefore have a direct bearing on decisions regarding the need for greenbelt releases in the valley. These are the February 2013 Bradford District Housing Requirements Study which it conducted with Edge Analytics and an earlier Housing Requirements Study which was queried by members of the public on the grounds that the figures posited for population growth appeared excessively high.

This casts doubt on the impartiality of the reports produced by GVA and the effect that their commercial interests might have had on their analysis. It also raises doubts as to whether LA Officers have maintained effective control over the plan development process, whether they have managed relationships with developers properly and the extent to which developers' interests, rather than those of the public, have been the primary driver in the development of the plan. With respect to the latter, GVA operating simultaneously on behalf of a landowner and the Council came to public notice by pure chance (they advertised on the web). We have no way of knowing whether they have other relevant commercial interests or whether any of the other consultancy firms commissioned by Bradford have similar interests. Without a formal enquiry there is no way of knowing whether the plan itself has been shaped to deliver financial benefits to particular individuals or companies to the detriment of the public or whether insider knowledge has undermined fair competition within the building sector locally. We can however be certain, by this single example, that the Council has fallen short in its management of the plan development process.

That Bradford's Officers have failed to maintain an effective critical perspective is evidenced by the numerous errors and anomalies that remain in the final reports accepted from consultants, some of which are summarised later in this report.

That Bradford's Officers have failed to undertake basic quality assurance checks on the products of consultants who were paid to conduct the research underpinning the Local Plan is also evidenced by the numerous errors remaining in the final reports published alongside it.

That Bradford's handling of industry relationships while formulating the plan has damaged competition in the commercial sector is suggested by GVA's involvement in the marketing of the Ben Rhydding site. Not only does the fact of their simultaneous involvement in plan formulation and local land marketing present a problem but both the site itself and the way in which GVA chose to promote it raise questions. Currently agricultural land, in the greenbelt and just outside the 400 metre development exclusion zone of a moor that is protected under European Habitats Regulations, because of its aspect and location (it commands spectacular views across the valley) if granted planning approval it would probably be the most valuable site anywhere in the Bradford District. It stretches expectations of coincidence to believe that the owners just happened to select GVA based on their general reputation from the plethora of agents operating in the marketplace, particularly since they are not local to this area. Therefore, at some level, GVA's involvement in Bradford's plan development process is likely to have been influential. In addition GVA's advertisement

of the site appears telling, both in terms of its wording and layout. For the full effect it is necessary to look at the complete advertisement but key features are that despite caveats subsequently the headline is for development land and the level at which the Core Strategy development process is described is detailed. It suggests considerable confidence that planning permission will be obtainable despite the restrictions associated with the greenbelt and protected habitats. A confidence that is worrying given GVA's involvement with the Council and premature given the fact that the advertisement appeared well ahead of the due date for the publication of the Local Plan.

It is against this backdrop that some of the products of the Plan development process need to be scrutinised. A number have serious flaws which give rise to concerns regarding their impartiality and objectivity. Some of the most serious issues are summarised overleaf, however there are numerous other instances. In general these appear to inflate housing numbers and justify development in high value areas, including the greenbelt and particularly the highest value part of the greenbelt, Wharfedale.

### **The Bradford District Housing Requirements Study February 2013 - Edge Analytics and GVA**

This document is remarkable for its use of inverse logic. Having acknowledged that Bradford has an advantage in relation to economic development in that it has a larger proportion of young people than other areas but that it is economically challenged with a high unemployment rate of 12.7% it goes on to argue that in order to service a growing economy it will need to have high levels of immigration. This implies that the principal barrier to growth is the lack of an available workforce.

It also seeks to argue that the net outflow in relation to internal migration (ie migration to other parts of the UK) may be associated with a poor quality housing offer in the area while simultaneously highlighting the fact that there is net inward migration from Leeds.

The central thesis of the report however is that housing development will be the key element in the economic recovery by creating jobs. In support of this thesis the authors present an economic model that is magical in its effects while positing a boom that would stagger even the Chinese.

Between now and 2028 it argues that 27,000 jobs can be created. These do not, however, appear to be jobs that will mop up the 12.7% of the workforce that is currently unemployed or cater for the young locals who emerge into adulthood during the period of the plan. They will be additional to natural growth and will generate a requirement for additional new homes. Judging by the figures presented many of them will be paying for their homes from the income they get from building new homes. The figures they present for their employment led scenario are on page 75 of the report:

- That in 2028 there will be 27,000 more full-time equivalent jobs than currently in Bradford District.
- Of these 3,847 will be in construction and 10,260 will be linked to construction.
- In addition these workers will spend money locally which will contribute to a retail boom thereby generating other jobs.
- These jobs will be generated by the building of 2,565 new homes during the year along with attendant infrastructure (if the District average for the plan period is taken and delivery of new homes is not rear-loaded)
- These jobs will all be local to Bradford. The report does not pay due regard to the fact that developers, particularly the volume house builders, have supply chains that generate jobs in allied trades elsewhere in the country (and in many cases elsewhere in the world)

The maths doesn't work out. If we take an average salary of £26,000 and employers' national insurance contributions of 13.8% (never mind any other employment related costs) the money generated by construction would need to be sufficient to deliver £417,397,916 during 2028 simply to pay the wages. That

works out at £162,728 per house just to support the jobs generated in the construction industry and allied pursuits. And the people employed would, by and large not be able to afford to buy a house themselves.

In addition there is a peculiar error elsewhere in the report that seems out of place but that might, if not corrected, create a false impression of the viability of the Bradford housing market and its prospects as a vehicle for delivering economic growth. On page 36 (paragraphs 4.38 and 4.39) of the report there is some detail regarding the housing market in the Bradford Metropolitan District. The authors state that: 'the average mean' price has stabilised since the crash at 'around the £140,000 level' having been higher in 2007. This is incorrect. The Land Registry records show that at the pre-crash peak of the market (the most favourable month) the mean sold price was £122,000. The price then fell steadily year on year (and if three month moving averages are analysed, across each year) to a low of £92,000 before rising over the past two years to £94,000. It takes approximately ten minutes to extract this data from the Land Registry website.

There's also an assumption in the report that the current high unemployment rate of 12.7% in the District is primarily because of the economic downturn. Trend data from the ONS does not support this view. While job losses due to the recession appear to have aggravated the problem, Bradford has shown a steady increase in unemployment that pre-dates 2007 and post-dates the job losses associated with the decline in manufacturing that preceded the UK boom of the first years of this century. Building houses that Bradford's residents cannot afford to live in will not reverse this.

The general problem in Bradford is that building homes for sale is problematic in most parts of the district not because they are over-priced but because the people who need them are poverty stricken. Building them in areas where others from outside the District might want to buy them will not deliver the economic growth forecast in this report. In addition the evidence shows that bringing those people into the District is unlikely to assist with local regeneration through improving the local skill set. Because of the lack of suitable jobs here the trend has been for outward migration to be employment led with Bradford's graduates leaving at a considerably higher rate than other groups. On top of this a disproportionate number of people who live in high value areas in Bradford (such as Wharfedale) commute to work in places such as Leeds. This shows that Bradford's difficulties do not arise from a skills shortage, the loss of skills is due to the lack of suitable jobs. Jobs in construction will not reverse this.

The GVA/Edge Analytic report is not the only report underpinning Bradford's Local Plan that is afflicted by error and faulty logic. There appears to be a general tendency towards a narrative that departs from or obscures the available evidence and in so doing leads to a plan that fails to address the housing needs of the population. Below are a few examples:

#### **The Affordable Housing Economic Viability Assessment - AHEVA**

- The AHEVA places the Worth Valley and part of Bingley alongside Wharfedale in Area 1 (ie having the highest value properties in the Bradford District) as a basis for calculations regarding the deliverability of affordable housing. This obscures the true value of property in Wharfedale and if taken as a basis for negotiations regarding Section 106 or CIL receipts might have the effect of depriving the public purse of a substantial amount of revenue. Land Registry records show that Wharfedale property prices are 59% higher than those in the part of Bingley considered as Area 1 in the AHEVA. The data for 2013 shows the mean sold price in Wharfedale to be £321,328 as opposed

to £201,674 in the Bingley Area 1 zone. The differentials are even greater between Wharfedale and the Worth Valley.

- The methodology for calculating deliverability based on residual land values is inappropriate in a highly polarised market where a high value area is in close proximity to a much lower value area and to other desirable areas. Wharfedale is sandwiched between the golden triangle of North Leeds/Harrogate and the Dales National Park and Area 3 in the AHEVA (Addingham is 3.5 miles from Silsden in Area 3). Affluent buyers can depart to the golden triangle if the development in the Valley begins to erode its desirability. The AHEVA proposes that 30% of the housing built will be 'affordable' with up to 75% being social housing. It is inconceivable that people would continue to pay the premium associated with the area which would generate residual land values capable of supporting this level of social housing if it were located on, or near, the sites containing market housing. In addition the proximity to Silsden (where in 2013 53 of the 125 properties sold fetched under £135,000) renders it unnecessary to deliver intermediate housing that would be marketed at 80% of the Wharfedale market value in Wharfedale itself. Wharfedale is the most extreme example of this type of difficulty in relation to the AHEVA it is merely the most extreme. The same problem appears to apply with respect to other parts of Bradford that lie in the greenbelt and are scheduled for major development.

### **The Strategic Housing Market Assessment**

This document is so riddled with inconsistencies and inaccuracies as to beggar belief.

Page 39 states that over the seven year period July 2000 to June 2007 93,200 people moved into Bradford District and 108,800 moved out; an average net outflow of 2230 per annum. However on page 195 at Section D.50 the report states '.. for Bradford, household growth due to in-migration, in particular international migration, is an important market driver.' And on page 196 at D.51 it states that 4618 households had moved into Bradford during the year preceding the 2007/8 household survey without acknowledging the fact that any outflow had occurred at all. It also states that 45.9% of these could afford open market prices and 54.1% could not; even though 38.6% of these households bought their homes, 53% moved into private rentals and only 8.4% into the social rental sector. By page 197 the report is confidently claiming that in-migration is having an impact on overall dwelling requirements and needs to be 'factored into overall affordability requirements' and estimates that the in-migration increases the gross shortfall of affordable homes by 1714 per annum and the net shortfall by 1132 per annum.

On page 40 the report states that the number of households moving into Bradford in the five years preceding the household survey was 8280 of which 45.3% bought their homes; 42.9% moved into private rentals; 11.5% into social housing and 0.3% into tied accommodation. At no point in this research report does there appear to be any attempt to reconcile the discrepancies in the figures or explain them.

However, in its treatment of Wharfedale the report departs clearly from the evidence. The report combines Wharfedale (Area 1 in terms of AHEVA property prices) with Craven (Area 3) and persistently calls the combined area 'Wharfedale'. This is misleading. It then goes on to present data that shows that the combined Wharfedale Craven area has:

- The highest median incomes in the Bradford District (double those for the Bradford District as a whole, they quoted £29,400 pa for Wharfedale/Craven against £15,627 for Bradford District)
- The lowest current housing need

- The lowest expected future need
- The lowest natural population growth
- The lowest population growth as a result of international migration

Before asserting that all of the 127 newly forming households expected annually will be in housing need (ie unable to pay a market rent or buy a lower quartile priced house anywhere in the District). To put this into perspective they quote figures for elsewhere in Bradford are as follows:

- City Central , 180 households homeless and 1274 in overcrowded situations with 1506 in other types of need
- City South where there were a total of 1694 households in need of which 122 were homeless and 405 in overcrowded homes

Elsewhere in the SHMA the authors seek to argue that the Wharfedale and Craven area has seen population loss in recent years, it then employs a sustainability argument to justify a major house building effort during the Plan period. This is untrue. House building has seen an increase in housing stock of over 33% in this area since 1980 and as a consequence a corresponding influx of people from elsewhere. It is self-sustaining, Wharfedale proper particularly so, because it is a desirable area that has no need for regeneration. Proportionately it has delivered some of the highest levels of housing development (based on its original population) in the Bradford District.

More generally there is a tendency in the material underpinning the Bradford Local Plan for the emphasis to be on the delivery of family housing . This is problematic. The data (from the 2011 ONS Census) shows that if current housing provision were perfectly matched to housing needs the mode (most common form of housing) in the District would be one bed roomed accommodation for single people and cohabiting/married couples without children. These combined already form the most common household type locally. The data also shows that this needs to be cheap and centrally located within Bradford and Keighley and that the need for single person accommodation is likely to grow substantially in the future. In addition, the latest estimates from the ONS are that during the period to 2021 there will be an increasing tendency for outward migration and a lower tendency for inward migration in the District that will generate net outward migration. The ONS figures indicate that this had already started in 2012. If so it would be a continuation of a trend that was apparent in Bradford before the massive international immigration of recent years. This would offset the natural population growth upon which estimates of future housing need are largely based.

These reports do not appear to be a sound basis upon which to plan housing development. They have delivered a plan which will not meet the needs of the District or the people who live in it. In addition there seems to be a general tendency in and across reports to present arguments that justify greenbelt development while neglecting urban regeneration. Given this, and the inadequacy of the Local Authority in managing the Plan Development process there appear to be grounds for an enquiry of some description.