West Surrey Strategic Housing Market Assessment (SHMA) briefing note

What is a Strategic Housing Market Assessment?

The Strategic Housing Market Assessment (SHMA) forms part of our evidence base that will help inform the housing policies and proposals in our new Local Plan. It is an assessment of future needs for both market and affordable housing, the type and mix of homes required and the needs of specific groups.

Why prepare a SHMA?

The National Planning Policy Framework[1] (NPPF) provides the national policy on planning for housing, business and other development, and requires councils to identify the housing needs of an area and respond positively to wider opportunities for growth (paragraph 17). The NPPF requires us to use our evidence base to ensure that our Local Plan meets the full, objectively assessed needs for market and affordable homes in the housing market area, as far as is consistent with the policies set out in the Framework (paragraph 182).

The SHMA has been prepared in accordance with the National Planning Practice Guidance[2] (NPPG). This sets out the methodology that we should follow and the factors the SHMA must consider.

Does this replace the draft Guildford SHMA (May 2014) and the draft West Surrey SHMA (December 2014)?

Yes, this is the final West Surrey SHMA and replaces all previous SHMAs. As required by national policy, a SHMA needs to be prepared covering the entire housing market area.

What is a Housing Market Area?

People are not constrained by administrative boundaries when moving home or looking for job opportunities. A housing market area represents the geographical area in which people tend to move within. The SHMA identifies our Housing Market Area (HMA) as consisting of Guildford, Waverley and Woking borough councils. However, it acknowledges the relatively strong linkages between parts of our HMA with adjoining authorities in adjacent HMAs such as East Hampshire, Rushmoor, Surrey Heath, Runnymede and Elmbridge. These linkages will be explored as part of ongoing work discharging our duty to cooperate.

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[1] https://www.gov.uk/government/publications/national-planning-policy-framework--2
[2] http://planningguidance.planningportal.gov.uk/

How will we use the SHMA to inform the new Local Plan?
The NPPG sets out that understanding the full objectively assessed need (OAN) is only the first stage in the plan-making process. Once assessed, and as part of defining the housing target in the new Local Plan, we would need to consider whether it would sustainable to meet this need in full given constraints in the borough. The relevant paragraph of the NPPG is copied below (Reference ID: 3-045-20141006)

Do local planning authorities have to meet in full housing needs identified in needs assessments?

Local authorities should prepare a Strategic Housing Market Assessment to assess their full housing needs.

However, assessing need is just the first stage in developing a Local Plan. Once need has been assessed, the local planning authority should prepare a Strategic Housing Land Availability Assessment to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period, and in so doing take account of any constraints such as Green Belt, which indicate that development should be restricted and which may restrain the ability of an authority to meet its need.

As we continue to prepare the new Local Plan, we will re-evaluate all potential development sites and consider the range of constraints that may limit the extent to which we can meet our full housing need. This includes for instance the Surrey Hills Area of Outstanding Natural Beauty, The Thames Basin Heaths Special Protection Area, Green Belt, flooding and infrastructure capacity, such as the road network.

The housing target that will form part of the next iteration of the Local Plan will reflect this rigorous re-appraisal of development sites and constraints.