

# LOCAL PLAN 2036 WINCHESTER CITY COUNCIL

## Consultants Brief

### Future Local Housing Need and Population Profile Assessment

March 2019



## **CONTENTS**

- 1. Purpose**
  - 2. Background**
  - 3. Requirements of Study**
  - 4. Timescale**
  - 5. Content of The Bid**
  - 6. Evaluation Process and Criteria**
  - 7. Submission of bid**
  - 8. Award Process**
  - 9. Conditions**
  - 10. Freedom of Information**
  - 11. Privacy Policy**
- Appendix 1 Scoring guide**

# Future Local Housing Need and Population Profile Assessment

## 1. Purpose

- 1.1 Winchester City Council has started work on a new Local Plan which will replace and roll forward its existing Local Plans to 2036. The District housing requirement is currently set in the Local Plan Part 1 (Core Strategy) but this is over 5 years old. The Council expects to use the Government's standard method to determine housing needs, but this is likely to change in 2020 when updated household projections are due to be published. Therefore, the Council wishes to appoint consultants to advise on how many new homes should be planned for, taking account of expected future variations in the Government's 'standard method', and how the size and profile of the population will change.
- 1.2 The NPPF (2019) requires that LPAs should plan for at least the number of homes indicated by a standard method set out in national planning guidance. The Government has recently revised the standard method, in advance of a more comprehensive review which is expected to be complete before the next projections are issued in September 2020 (2018-based household projections).
- 1.3 These changes to the standard method, plus the live nature of the data sets which input into the method, create uncertainty about how many homes the Council should be planning for. While there have not been dramatic changes between the various household projections, the housing need figure is likely to change before it can be 'fixed' when the Local Plan is submitted for examination. The Council is therefore seeking consultant support to provide an insight into what the future housing need figure and resulting population profile is likely to be, to enable it to progress other evidence base studies and ensure these remain robust in light of future changes to the standard method.
- 1.4 The Council is therefore seeking to commission a study of the District's future 'local housing need' (standard method) and population profile in two stages. These should be undertaken consecutively, as the second part cannot be commissioned until the first stage is complete and its outputs considered:

Stage A: To provide a realistic indication of the District's future 'local housing need' figure now and in the future up to mid 2021 when it is anticipated the local plan will be submitted for examination; and

Stage B: To determine the population size and structure that would result from the results of Stage A.

This work is intended to inform various future evidence studies including the Strategic Housing Market Assessment, Economic Study and Retail Study. For the avoidance of doubt, these studies will be commissioned and undertaken as separate pieces of work.

## 2. Background

- 2.1 The Winchester District Local Plan Part 1 was adopted in 2013 and includes a requirement to deliver 12,500 homes over the Plan period 2011-2031 (averaging 625 dwellings pa). The Plan allocates three strategic sites and the Local Plan Part 2 allocates a range of smaller sites (adopted 2017). The Plans will need to be reviewed to maintain an 'up to date' development plan and the Council's Local Development Scheme indicates that the new 'Local Plan 2036' will be submitted for examination in March 2021. The Council would expect to use the Government's standard method to determine housing needs, but this is likely to change in 2019 and 2020 (as a result of

## Future Local Housing Need and Population Profile Assessment

updated affordability adjustments) and again in 2020 when the Government clarifies its updated standard methodology.

- 2.2 The housing need figure for the District has remained reasonably stable. In 2012 the Local Plan was originally based on the household projections of 550 dwellings per annum (without any affordability adjustment). Following examination of the Local Plan Part 1 this was increased to an average of 625 dwellings per annum by the Local Plan Inspector. When the Government consulted on the standard methodology in March 2018 the District requirement was 653 dwellings per annum. In September 2018, the Government's standard methodology using the 2016 household projections identified a need to deliver 599 dwellings per annum. The Government's current requirement is for councils to use the 2014-based SNPP, with an updated affordability adjustment, resulting in an increased requirement currently of 660 dpa.
- 2.3 The new Local Plan's strategy will be developed in the period up to the publication of the next household projections. The standard methodology currently suggests a requirement of 660 dpa, but there is a risk that this could be the 'wrong' housing requirement, given the live nature of the standard methodology. It is therefore important for the Council to work on the best estimate of what its 'local housing need' is likely to be at submission of the Local Plan (March 2021) and how it may change over time. This will inform how many homes the Local Plan should plan for and its development strategy.

### 3. Requirements of Study

#### Stage A Brief: How many homes to plan for?

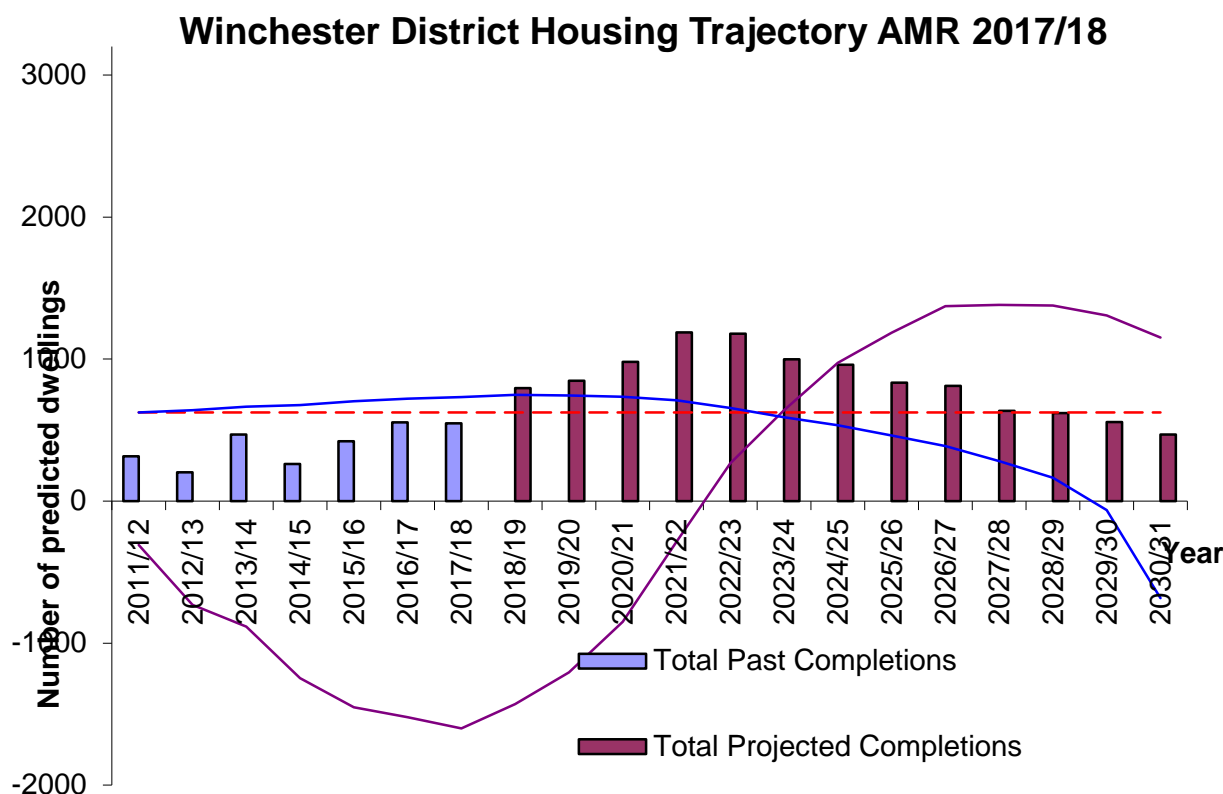
##### Housing need requirement based upon current household projections

- 3.1 As a baseline, the report should set out a brief explanation of the standard methodology and what the housing need figure would be in 2021 using the current standard methodology. This should identify the average level of household growth forecast for the ten year period starting from 'the current year' and explain how these would translate into local housing need figures (if affordability ratios are kept constant).

##### Future household projections and 'local housing need' figure for WCC

- 3.2 It is likely that the government's standard method, however revised, will continue to be based upon household projections. Future household projections are expected to be released in September 2020 (2018-based).
- 3.3 The NPPG (ID: 2a-008-20190220) states that the local housing need calculation can be relied upon for 2 years from the time that the plan is submitted to the Planning Inspectorate for examination. It is likely that the 2018-based household projections and the resulting 'local housing need' figure will be the up-to-date figures at the time that the Council submits its Local Plan. It is therefore necessary to understand what the household projections might show and also the affordability ratios which may apply.
- 3.4 The household projections are trend based, but account will also need to be taken of housing completions that are expected to have taken place by the time of the 2018 based household projections. The Council's housing land supply position is set out in detail in its Authority Monitoring Report: <https://www.winchester.gov.uk/planning->

[policy/annual-monitoring-report-amr](#) This includes the Council's most recent housing trajectory (see below).



- 3.5 Using the anticipated delivery rates set out above, the study should model the impacts of this potential growth, along with other robustly-justified demographic information (including clearly justified household representative rates), to understand how the District's population is likely to change and to forecast what the 2018-based household projections might look like.
- 3.6 The forecast 2018-based household projections should then be inputted into a number of permutations of the standard method to generate an estimate of the District's future 'local housing need' figure (or range of figures) at March 2021. These permutations are:
- The current standard method, as set out in the NPPG;
  - The current standard method (as set out in scenario a), but including the consultant's reasoned estimate of the uplift likely to be applied by Government to the standard methodology when it is adjusted in 2020. This should take account of the Government's national target of 300,000 dwellings per annum, the expected arrangements for capping growth in certain authorities, and how these and other factors are likely to affect the local housing need figure for Winchester.
  - Scenarios a and b, with a realistic affordability adjustment based on a reasoned estimate of how the median workplace-based affordability ratios will evolve annually up to March 2021. The standard method requires an affordability uplift to the housing need calculation based upon the ratio of house prices to earnings. This scenario should test the impact of the affordability adjustment, including advising on the likely scale of affordability changes.

## Future Local Housing Need and Population Profile Assessment

### Stage A Outputs

- 3.7 The Council is seeking a concise report, based upon clear and robust assumptions, which:
- i. Briefly sets out the context for the study;
  - ii. Provides the baseline local housing need figure for the 'current year' based upon the existing standard method and affordability ratios;
  - iii. Explains and justifies how the 2018-based household projections are likely to change (when they are published in 2020) taking account of planned housing growth, household formation rates and other demographic information;
  - iv. Sets out how the estimated 2018-based projections and changes to the standard methodology and affordability ratios are likely to result in an updated local housing need figure (or range of figures);
  - v. Concludes with a realistic estimate of the 'local housing need' number (or range of numbers) that is likely to result from application of the standard method in 2021, taking account of the results of i – iv above.
- 3.8 This report should be provided to the Council in draft form by 31 May 2019.

### **Stage B Brief: How would the housing number affect the population?**

- 3.9 It is recognised that the standard method will, by nature, result in a requirement for new homes in excess of the published household projections, as a result of the application of the affordability ratio. Stage A will lead to a local housing need number, or a range of potential housing need figures. It is therefore necessary to understand how the size and structure of the population is expected to change over time as a result of the revised local housing need figure, including the implications of filling the new homes needed which are over and above the household projections and the nature of the new households likely to occupy them. The results will have implications for other evidence studies to be commissioned as part of the Local Plan process.
- a The second stage of the study will use the outputs of Stage A and based upon robust and clearly justified assumptions, calculate the potential size and structure of the resultant population (to at least 2036).

### Stage B Outputs

- 3.10 The Council is seeking a concise report which:
- i. Sets out the context for the study;
  - ii. Explains and justifies the local housing need figure (or range of figures) that has been derived from Stage A; and
  - iii. Sets out the expected size and structure of the resultant population and household profile, including information that will help inform future evidence studies such as the implications for the workforce and the ageing population. This should be supported by Excel spreadsheets which show the forecast population in a minimum of five year age groups for each projection year to at least 2036.
- 3.11 Timescales for the production of this report will be as set out below unless alternative dates are agreed when Stage B is initiated.

# Future Local Housing Need and Population Profile Assessment

## 4. Timescale

Client issues brief	w/c 25 March 2019
Deadline for bids to be submitted to the Council.	23 April 2019
Interview (if required).	7? May 2019
Selection of the preferred consultant.	10? May 2019
Inception meeting.	w/c 13 May 2019
Deadline for Draft Stage A report.	31 2019
Deadline for Final Stage A report.	14 June 2019
Deadline for Draft Stage B report.	21 June 2019
Deadline for Final Stage B report	1 July 2019

4.1 This Assessment will be an important input to other evidence studies and bids should indicate whether it is realistic to achieve a more rapid timescale. Please note that these dates cannot be changed to accommodate individual bidders. The Council reserves the right to change the dates at its sole discretion. Interviews if necessary and the inception meeting will take place at Winchester City Council's Offices in Colebrook Street, Winchester SO23 9LJ.

## 5 Content of The Bid

5.1 Your bid should be presented electronically using no less than 11pt font size together with the any supporting documents. The following details should be included. The scoring for submissions is set out in the scoring criteria table below:

- Company name, lead consultant and supporting staff qualifications and experience and time to be spent on project by different team members, and contact details;
- Brief details of 3 similar pieces of work that have been undertaken in the last 5 years including the cost and contact details for references.
- Details of any sub – contractors likely to be involved in the project.
- Proposed project plan setting out the process you will go through to complete the work and showing how you will meet the requirements set out in this brief.
- Confirmation that you can deliver to the set deadlines.
- Total cost of the work to include expenses and an additional daily cost for attendance at the Local Plan examination, if needed

## 6 Evaluation process and criteria

6.1 All bids will be evaluated in the following sequence:

- Check that the organisation has been trading for a minimum of 3 years.
- Check that the bid contains confirmation that the work can be delivered to the set deadline and the assigned personnel will be available to attend the Local Plan Examination if necessary.
- Final scoring
- Decision on appointment.

6.2 The evaluation criterial are as follows:

<b>Initial Checks:</b>	
Failure to pass any of the initial checks will result in disqualification from the process.	
Organisation has been trading for a minimum of 3 years.	Pass / fail.

## Future Local Housing Need and Population Profile Assessment

Confirmation that the work can be delivered to the set deadline and the assigned personnel are available to attend the meetings listed.	Pass / fail.
---	--------------

6.3 The bids that pass the initial checks will then be evaluated as follows;  
 40% on price  
 60% on quality.

6.4 Quality questions will be assessed against the scoring criteria set out below, using the scoring guide set out in Appendix 1.

Scoring Criteria	Score Available.
Content complies with section 3 of the brief; <ul style="list-style-type: none"> <li>Quality and robustness of proposals to achieve Stage A</li> <li>Quality and methodology of proposals to achieve Stage B</li> <li>Any additional considerations / proposals to help achieve the aims of the Assessment</li> </ul>	10 10 5
Demonstrate that the organisation has the necessary experience to complete the work successfully; <ul style="list-style-type: none"> <li>Experience of relevant similar work in the last 5 years,</li> <li>Clarity, structure and content of the project plan.</li> </ul>	10 5
Allow for sufficient suitably qualified and experienced personnel and that a suitable amount of time is allocated to the work by these individuals; <ul style="list-style-type: none"> <li>Suitably qualified personnel assigned to the work</li> <li>Suitable amount of time is allocated to the work by these individuals.</li> </ul>	10 10
Price	40
Maximum score available.	100

6.5 The lowest priced bid will score 40 marks and each higher bid will lose 1% (0.4marks) for each 1% in price that they are higher than the lowest priced bid. The maximum reduction in marks applied will be 40 marks. The Council reserves the right not to award the contract to the highest scoring bidder, or to any bidder.

6.6 Following the selection of the preferred bidder there will be an inception meeting at which contractual details can be finalised and any further clarification sought. A letter of engagement will then be issued and must be accepted within 1 week in order for the contract to begin.

## 7 Submission of bid

7.1 Bids should be received by 12.00 midday on 23 April 2019. Please email one electronic copy to;

Jenny Nell  
 Strategic Planning Manager  
 Winchester City Council  
 City Offices  
 Colebrook Street  
 Winchester  
 SO23 9LJ  
 Email: [jnell@winchester.gov.uk](mailto:jnell@winchester.gov.uk)



## Future Local Housing Need and Population Profile Assessment

7.2 If there are any queries regarding the overall brief please contact:

Jenny Nell 01962 848278 or email, [jnell@winchester.gov.uk](mailto:jnell@winchester.gov.uk)  
Steve Opacic 01962 848101 or email, [sopacic@winchester.gov.uk](mailto:sopacic@winchester.gov.uk)

7.3 If there appears to be an error or omission in a bid the Council will invite the Supplier to confirm the submitted price, including errors/omissions, or amend the submitted price to correct these errors/omissions. All amendments or confirmation of bids must be confirmed in writing by the Supplier.

7.4 The Council reserves the right to disregard any bid where in the opinion of the Council:

- (a) there is sufficient doubt as to the Supplier's ability to perform the contract for the submitted price; or
- (b) it does not fulfil a mandatory requirement; or
- (c) it contains qualifications that conflict with the Consultants Brief instructions.

7.5 Bids and supporting documents shall be in English and any contract subsequently entered into and its formation, interpretation and performance shall be subject to and in accordance with the law of England.

## 8 Award Process

8.1 Suppliers will be notified via email as soon as possible of any decision made by the Council during the quotation process, including notifying suppliers of the intended award.

8.2 Suppliers must not undertake work without first having received an Official Purchase Order as written notification that they have been awarded the contract and are required to start work.

8.3 As part of the notification of award process, suppliers will be provided with details of the points awarded for their submitted responses in line with the evaluation criteria above.

## 9 Conditions

9.1 The Council reserves the right to withdraw from using the services of the consultant at any time during the project if it is not satisfied with the standard or quality of the work. No part of the study should be sub-contracted to third parties without the Council's prior consent. If consent is given sub – contractors should have the same insurance requirements as the main contractor.

9.2 The appointed consultant shall at all times be fully covered by professional indemnity insurance (£5 million professional for each and every claim and also confirm that such insurance will be maintained until the expiry of 12 years following the date of completion of the services). The appointed consultant shall at all times be fully covered by Employers Liability (£10 million minimum indemnity limit). The appointed consultant shall at all times be fully covered by public liability insurance (not less than £10 million for any one occurrence or series of occurrences arising out of one event, the total number of events being unlimited).

9.3 The Council will own the copyright of the final report and will have the right to copy, publish and distribute it as required (subject to the work being accredited to the consultant).

## Future Local Housing Need and Population Profile Assessment

9.4 It is essential that the Consultant is satisfied that there is no conflict of interest that would undermine the value or integrity of the advice provided.

9.5 Payment of fees will be at the end of the project, subject to the Council's satisfaction. Any work outside the specification of the Brief, or as subsequently agreed in writing between the Council and the appointed consultants will be considered as additional work. The parties must first agree the content and cost of any such work before it is undertaken.

### **10 Freedom of Information**

10.1 The Supplier acknowledges that suppliers are subject to the requirements of the Freedom of Information Act 2000 ('FOIA') and the Environmental Information Regulations 2004 and shall assist and cooperate with the Council to enable the Council to comply with its information disclosure obligations.

10.2 The Supplier acknowledges that, except for any information which is exempt from disclosure in accordance with the provisions of the FOIA, the content of this quotation is not Confidential Information. The Council shall be responsible for determining in its absolute discretion whether any of the content of this quotation is exempt from disclosure in accordance with the provisions of the FOIA.

10.3 For the purposes of the requirement set out above, "Confidential Information" means any information which ought reasonably be considered to be confidential however it is conveyed, including information that relates to the business, affairs, developments, trade secrets, know-how, personnel and suppliers of the Supplier, including IPRs, together with all information derived from the above, and any other information clearly designated as being confidential (whether or not it is marked as "confidential") or which ought reasonably to be considered to be confidential.

10.4 By submitting a quotation response the Supplier hereby gives their consent for the Council to publish this quotation in its entirety (but with any information which is exempt from disclosure having been redacted in accordance with the provisions of the FOIA).

### **11 Local Government Transparency Code**

11.1 We are required to comply with the Local Government Transparency Code, details of which can be found on our website: <https://www.winchester.gov.uk/about/access-to-data>.

### **12 Privacy Policy**

12.1 Please refer to the Council's Privacy Policy on our website to see how the Council will use any personal data that you provide us with.

## Future Local Housing Need and Population Profile Assessment

### **Appendix 1 Scoring guide**

The following scoring guide will be used to evaluate submissions. Each of the questions will be initially scored out of 5 and then weighted in accordance with the scores set out in the scoring criteria. For example, if a maximum of 10 points is available for a scoring element, then the score out of 5 will be multiplied by 2 and so on.

SCORE	DEFINITION	BENCHMARK
<b>5</b>	Excellent	In the opinion of the evaluators, the response provides the information which : <ul style="list-style-type: none"> <li>• addresses all requirements, and</li> <li>• provides excellent quality relevant supporting evidence which to some material degree provides evidence of an exemplary response and</li> <li>• fully meets all WCC's expectations including demonstrating innovative approaches to achieving outcomes in the brief.</li> </ul>
<b>4</b>	Very good	In the opinion of the evaluators, the response provides information which: <ul style="list-style-type: none"> <li>• addresses all requirements and</li> <li>• provides very good quality relevant supporting evidence which to some material degree provides evidence of a very good response, and</li> <li>• meets the WCC's expectations in all material respects with no weaknesses or areas of concern.</li> </ul>
<b>3</b>	Good	In the opinion of the evaluators, the response provides: <ul style="list-style-type: none"> <li>• good quality information which addresses all requirements; but</li> <li>• the supporting evidence is less than good in some material degree or is of limited relevance to the response.</li> </ul>
<b>2</b>	Marginal	In the opinion of the evaluators, the response provides information which addresses all requirements BUT the response: <ul style="list-style-type: none"> <li>• fails to provide relevant supporting evidence or</li> <li>• the evidence is not relevant to the response.</li> </ul>
<b>1</b>	Poor	In the opinion of the evaluators the response: <ul style="list-style-type: none"> <li>• falls short of achieving the expected standard in a number of identifiable respects and / or</li> <li>• the proposal highlights significant areas of concern.</li> </ul>
<b>0</b>	No submission	No information supplied.