



Department for  
Communities and  
Local Government

**Brandon Lewis MP**

*Minister of State for Housing and Planning*

**Department for Communities and Local  
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Dear Simon,

### **Strategic Housing Market Assessments**

I am writing to ensure our existing policy position on emerging evidence in the form of Strategic Housing Market Assessments is clear.

We have set out in our recent guidance that a Strategic Housing Market Assessment is just the first stage in developing a Local Plan and councils can take account of constraints which indicate that development should be restricted ([http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-land-availability-assessment/stage-5-final-evidence-base/#paragraph\\_045](http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-land-availability-assessment/stage-5-final-evidence-base/#paragraph_045)).

The extent of constraints will be justified on a case by case basis for each Local Plan, depending on particular local circumstances, within a housing market area.

Many councils have now completed Strategic Housing Market Assessments either for their own area or jointly with their neighbours. The publication of a locally agreed assessment provides important new evidence and where appropriate will prompt councils to consider revising their housing requirements in their Local Plans. We would expect councils to actively consider this new evidence over time and, where over a reasonable period they do not, Inspectors could justifiably question the approach to housing land supply.

However, the outcome of a Strategic Housing Market Assessment is untested and should not automatically be seen as a proxy for a final housing requirement in Local Plans. It does not immediately or in itself invalidate housing numbers in existing Local Plans.

Councils will need to consider Strategic Housing Market Assessment evidence carefully and take adequate time to consider whether there are environmental and policy constraints, such as Green Belt, which will impact on their overall final housing

requirement. They also need to consider whether there are opportunities to co-operate with neighbouring planning authorities to meet needs across housing market areas. Only after these considerations are complete will the council's approach be tested at examination by an Inspector. Clearly each council will need to work through this process to take account of particular local circumstances in responding to Strategic Housing Market Assessments.

As you are aware, the Secretary of State can recover appeals, for example where he considers that they raise issues of national importance. This is important to support the application of relevant policies at national level.

A handwritten signature in black ink, appearing to read 'Brandon Lewis', with a long horizontal flourish extending to the right.

**BRANDON LEWIS MP**