



Ministry of Housing, Communities & Local Government
 2 Marsham Street
 London
 SW1P 4DF

8 May 2025

Dear

Environmental Information Regulations 2004 – EIR2025/12029

Thank you for your request for information which was received on 17 April 2025 and considered under the Environmental Information Regulations 2004.

You requested:

'Under the Environmental Information Regulations 2004 (EIR) and/or the Freedom of Information Act 2000 (FOIA), I am requesting access to information relating to the calculation and communication of housing need figures for East Hampshire District Council (EHDC).

I specifically request:

1. *The full calculation methodology used by the Department for Levelling Up, Housing and Communities (DLUHC) to determine the figure of 1,119 dwellings per year as the minimum housing need for EHDC, as communicated in or after December 2024.*
2. *All underlying data inputs and assumptions used in this calculation, including:*
 - *Whether the baseline used was household projections or existing housing stock*
 - *The specific affordability ratio used and its source*
 - *Any applied uplifts, caps, adjustment factors, or local modifiers*
3. *Any documents, notes, or correspondence — internal or external — outlining the rationale for this figure and its compatibility with current government planning policy, including any exemptions, overrides, or unpublished methodologies.*
4. *Any assessments, communications, or evaluations received from or provided to EHDC in which the council raised concerns or requested a further downward adjustment from the 1,119 figure (e.g. to 828 homes per year), including the Department's response, stance, or position on such reductions.*
5. *Any formal position, legal advice, or internal analysis by DLUHC regarding the validity or acceptability of applying such reductions in housing need within areas affected by significant national environmental designations — specifically the South Downs National Park, which covers more than half of the East Hampshire district.'*

We can confirm that some of the requested information is held by the Ministry of Housing, Communities and Local Government, and we are able to provide you with this information.

1. The full calculation methodology used by the Department for Levelling Up, Housing and Communities (DLUHC) to determine the figure of 1,119 dwellings per year as the minimum housing need for EHDC, as communicated in or after December 2024.

The standard method for calculating local housing need is set out in paragraph 004 of the *housing and economic needs assessment* Planning Practice Guidance, available here: [Housing and economic needs assessment - GOV.UK](#).

The government response to the proposed reforms to the NPPF sets out the rationale for the final standard method, including changes made to the version consulted upon – [Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation - GOV.UK](#)

2. All underlying data inputs and assumptions used in this calculation, including: a. Whether the baseline used was household projections or existing housing stock, b. The specific affordability ratio used and its source, and c. Any applied uplifts, caps, adjustment factors, or local modifiers

As set out in the *housing and economic needs assessment* Planning Practice Guidance referenced above, the following inputs are used:

- a. The baseline is set using the **value of existing housing stock** for the area of the local authority. This can be found in Table 125: dwelling stock estimates by local authority district, available here - [Dwelling stock \(including vacants\)](#).
- b. The affordability data used is the [median workplace-based affordability ratios](#), published by the Office for National Statistics at a local authority level. The mean average affordability over the five most recent years for which data is available should be used. Please note that a new dataset was published on 24 March 2025. In December 2024, the previous version of the dataset (published 25 March 2024) was used, which included data up to 2023.

As set out in the Planning Practice Guidance, the affordability adjustment factor is calculated as: $Adjustment\ factor = \frac{(five\ year\ average\ affordability\ ratio - 5)}{5} \times 0.95 + 1$.

This means the adjustment factor used in December 2024 was $\left(\frac{13.21 - 5}{5}\right) \times 0.95 + 1 = 2.56$.

- c. The standard method does not apply any further local modifiers or caps.

3. Any documents, notes, or correspondence — internal or external — outlining the rationale for this figure and its compatibility with current government planning policy, including any exemptions, overrides, or unpublished methodologies.

- The government set out its justification for a new standard method for assessing local housing need in the consultation document on changes to national planning policy (30 July 2024). The consultation documents set out that a revised standard method would better support the government's manifesto commitment of 1.5 million new homes in this Parliament, and provide greater certainty to the sector through a more stable and predictable assessment of housing need. The consultation explained that the standard method provides the basis for plan making, not the final housing requirement. The consultation documents are published at: [Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK](#).

- The final standard method formula was revised as a result of consultation feedback so that it is more responsive to housing affordability when assessing housing needs. The formula change means more housing is directed to where it is least affordable. The government response to the consultation sets out the final changes, and was published on 12 December 2024 - [Government response to the proposed reforms to the National Planning Policy Framework and other changes to the planning system consultation - GOV.UK](#)
- The Public Sector Equality Report, published alongside the government response to the consultation, set out the consideration of increased housing supply on the needs of people who share relevant protected characteristics.
- Revised Planning Practice Guidance sets out the details of the new standard method formula - [Housing and economic needs assessment - GOV.UK](#).
- It is recognised that there are some specific circumstances in which an alternative approach to the standard method could be justified. This is set out in paragraph 014 of the *housing and economic needs assessment* Planning Practice Guidance. For ease, this is copied below:

‘Where strategic policy-making authorities do not align with local authority boundaries (either individually or in combination), or the data required for the model are not available such as in National Parks and the Broads Authority, or local authority areas where the samples are too small, an alternative approach may have to be used.

Such authorities may continue to identify a housing need figure using a method determined locally. In doing so authorities should take into consideration the best available evidence on the amount of existing housing stock within their planning authority boundary, local house prices, earnings and housing affordability. In the absence of other robust affordability data, authorities should consider the implications of using the median workplace-based affordability ratio for the relevant wider local authority area(s).

For local authorities whose boundaries cross National Parks or Broads Authority areas, the proportion of the local authority area that falls within and outside the National Park or Broads Authority area should also be considered – for example where only a minimal proportion of the existing housing stock of a local authority falls within the National Park or Broads Authority area it may be appropriate to continue to use the local housing need figure derived by the standard method for the local authority area.’

4. Any assessments, communications, or evaluations received from or provided to EHDC in which the council raised concerns or requested a further downward adjustment from the 1,119 figure (e.g. to 828 homes per year), including the Department’s response, stance, or position on such reductions.

A summary of responses received to the consultation on the standard method, alongside the Government’s response, are available at: [Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK](#).

East Hampshire District Council’s response to the consultation on the standard method is published here: [EHDC response to the Government Consultation on proposed reforms to the National Planning Policy Framework \(NPPF\) - September 2024.pdf](#)

All further communications relating to the housing requirement for East Hampshire are published here: [Communications | East Hampshire District Council](#)

5. Any formal position, legal advice, or internal analysis by DLUHC regarding the validity or acceptability of applying such reductions in housing need within areas affected by significant national environmental designations — specifically the South Downs National Park, which covers more than half of the East Hampshire district.

- We are clear that land that is safeguarded for environmental reasons, like National Parks and habitat sites, will retain its protections.
- National Planning Practice Guidance makes clear that where strategic policy-making authorities do not align with local authority boundaries (such as East Hampshire - where part of the authority falls within the South Downs National Park), or the data required for the model are not available (such as in National Parks and the Broads Authority), an alternative approach may have to be used.
- Such authorities may continue to identify a housing requirement figure using a method determined locally. In doing so authorities should take into consideration the best available evidence on the amount of existing housing stock within their planning authority boundary, local house prices, earnings and housing affordability.
- Local authorities will have to evidence and justify their approach through local plan consultation and examination.
- Each plan is subject to a public examination in front of an independent Inspector, who examines the plan impartially to ensure it is legally compliant and “sound”, meaning it should be positively prepared, justified, effective, and consistent with national policy – the tests of soundness are set out in the National Planning Policy Framework.
- In the specific circumstances where an alternative approach could be justified, at local plan examination, consideration will be given to whether it provides the basis for a plan that is positively prepared, taking into account the information available on existing levels of housing stock and housing affordability.

Complaints procedure

If you are unhappy with this response, we will review it and report back to you. (This is called an internal review.) If you want us to do this, let us know by return email within 40 working days of receiving this response. You can also ask by letter addressed to:

Ministry of Housing, Communities & Local Government
Knowledge and Information Access Team
4th Floor, Fry Building
2 Marsham Street
London, SW1P 4DF

If you are still not content with the outcome of the review, you may apply to refer the matter to the Information Commissioner for a decision. Generally, the ICO cannot make a decision unless you have exhausted the review procedure provided by the Department.

The Information Commissioner can be contacted at email address casework@ico.org.uk or use their online form at ico.org.uk/concerns or call them on 0303 123 1113.

Yours sincerely,

MHCLG FOIA Team