

North Essex Authorities Joint Strategic (Section 1) Plan Examination

12/17

Hearing Statement on behalf of Stebbing Parish Council

Matter 3



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Matter 3 - Hearing Statement

Meeting housing needs (Policy SP3)

Introduction

- 1 This Hearing Statement has been produced on behalf of Stebbing Parish Council (SPC) to supplement its earlier representations objecting to the Garden Community being proposed to the West of Braintree (SP10), which could expand across from Braintree District into Uttlesford District, and both directly and indirectly significantly impact upon Stebbing.

- 2 SPC's Regulation 19 representations refer in detail to the reasons for its objection to the West of Braintree Garden Community proposals, the key reasons being:
 - The Duty to Co-operate has not been thorough or comply with the Garden City principles;
 - Significant adverse impacts upon the highway network, in particular upon the strategic A120 route which currently suffers from frequent major congestion at Braintree; and
 - It will be unsustainable in overall terms.

- 3 The main issue identified by the Inspector to be examined is:

Has the Plan been positively prepared and is it justified, effective and consistent with national policy in relation to the overall provision for housing?

Main issues:

Does policy SP3 reflect an objective assessment of housing needs over the period 2013-2033?

Should the housing requirement figures be reduced or increased?

Does policy SP3 set out effective requirements for the maintenance of a five-year housing land supply? Should it allow for accommodating possible future need arising elsewhere?

Q.1) Does the Peter Brett Associates *Objectively Assessed Housing Need Study*, Nov 2016 update [the PBA Study, EB/018] appropriately define the housing market area? If it does not, what are the consequences for the policy SP3 housing requirement figures?

- 4 We note that the above Study states in paragraph 8.4 that in relation to the definition of the housing market area, no new evidence has emerged since the 2015 study. Hence its conclusion, that the four client authorities (Braintree, Chelmsford, Colchester and Tendring) form a housing market area within the meaning of the PPG (OAN) remains unchanged.
- 5 SPC considers that in reality the defined housing market area boundaries reflect the administrative boundaries of the group of adjoining Essex local authorities, rather than any actual functioning housing market area, which would of course cross over such administrative boundaries.

Q.2) Are the proposed overall housing requirement in policy SP3 of 43,720 dwellings (2,186dpa), and the constituent requirement figures of 14,320 (716dpa) for Braintree, 18,400 (920dpa) for Colchester and 11,000 (550dpa) for Tendring, based on a sound analysis of the available and relevant evidence, and do they reflect the full, objectively-assessed need for housing over the period 2013-2033?

In particular:

- (a) Is the PBA Study justified in using a baseline household growth figure of 445dpa for Tendring, rather than using the 625dpa figure from the 2014-based DCLG household projections?
- (b) Is the PBA Study justified in not making any adjustments to the household formation rates used in the 2012- and 2014-based DCLG household projections?
- (c) Is the PBA Study justified in not making any adjustments to its household growth estimates to take account of out-migration from London?
- (d) Is the PBA Study justified in applying a market signals uplift of 15% for Braintree and Tendring, and in making no market signals adjustment for Colchester?
- (e) Are the PBA Study's findings on job-led housing need justified, having regard to the economic models on which they are based and the assumptions embedded in those models?
- (f) Is the PBA Study justified in concluding that there is no reason to adjust the objectively-assessed housing need figures in order to meet affordable housing need?

Out-migration

- 6 In-migration has been rising in recent years in many areas. Adequate regard needs to be given to the implications of this trend continuing to ensure that sufficient housing provision is made to satisfy the demand for housing in the HMA over the course of the Plan period, especially as there has been significant international immigration occurring nationally. There have also been movements out from London to areas such as North Essex. In addressing this migration flow, it is important to recognise that those locations that have direct mainline rail access into London are like to prove more attractive destinations for accommodating this outflow. It is considered noteworthy that, Braintree, unlike both Colchester and Tendring, lacks direct mainline rail travel links into London.

Affordable Housing and the OAN

- 7 The Objectively Assessed Need (OAN) does not have to be uplifted to deliver all affordable housing in full, though it is a consideration in determining OAN.
- 8 National guidance requires consideration of an uplift where there is an affordability gap, but it does not require a mechanistic increase in the overall housing requirement to achieve all affordable housing needs. The realism of achieving the intended benefit of additional affordable housing from any such uplift is relevant, otherwise any increase may not achieve its purpose
- 9 This is because the vast majority of delivery will occur as a proportion of open market schemes and is therefore dependent for its delivery upon market housing being developed. It is no doubt for this reason that the PPG observes at paragraph ID 2a-208-20140306 as follows:

"The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes."

- 10** Meeting the full affordable housing need of the districts' is unrealistic and unachievable given the sheer scale of the increase in the overall housing requirements for the three local authorities that would be required;
- Appropriate uplift to reflect market signals including affordable housing needs to occur. The precise level of which is a matter of judgement, but should consider recent Local Plan Examination Inspector's findings in respect of other Local Plans and related legal Judgements, notably;
 - Realistic assumptions need to be made regarding the ability of the market to deliver and absorb particular rates of affordable housing delivery;
 - What other forms and amounts of affordable housing delivery will be capable of contributing towards meeting the overall affordable housing requirement.
 - The implications upon delivery rates of Starter Homes provision requirements; and
 - The overall viability of development in the context of Local Plan policies and requirements including affordable housing and the Community Infrastructure Levy (CIL).
- 11** Accordingly, very careful consideration needs to be considered to the extent that the Garden Communities will be capable of delivering affordable housing completions given the other substantial infrastructure requirements that they will be expected to also fund. SPC understands that only 20% affordable housing provision may be achievable, rather than the 30% minimum referred to in the policy.
- 12** Realistically, less reliance on Garden Communities, and a greater focus on the delivery of small and medium sized sites would be more likely to deliver more affordable housing, and in the actual locations where it is most needed.

Uplift

- 13 In relation to the market signals uplift, it is not apparent why there is any real justification for the PBA Study applying a market signals uplift of 15% for Braintree and Tendring, but not making any market signals adjustment for Colchester.
- 14 Furthermore, paragraph 5.100 of the PBA OAN Needs Study (EB018) also indicates that a 15% adjustment to Braintree's OAN may be excessive and that a lower increase of 10% could be appropriate instead.

“For Braintree the evidence of possible under-provision is weaker. The main evidence pointing to an undersupplied market is that housebuilding has been deliberately constrained by past policy; and affordability is comparatively poor and has been worsening in relative terms, albeit only on one of the two measures we have used. In our judgement this evidence justifies a market signals uplift, which should be lower than for Chelmsford. As a maximum 15% could be justified. Alternatively 10% may be reasonable (our emphasis)”.

- 15 Given that the PBA Study already incorporates a significant adjustment to the objectively-assessed housing need figures for the three authorities in order to meet affordable housing need, SPC does not consider that any further additional increase is required. However, in the case of Braintree, SPC believes that a lower 10% market signals adjustment should have been made to the OAN.

Q.3) Should the Section 1 Plan make provision for higher or lower housing requirement figures, and if so, what is the justification for the alternative figures?

In particular:

- (a) Should the requirement figures reflect those proposed by CAUSE (2,005dpa overall, comprising 624dpa for Braintree, 831dpa for Colchester and 550dpa for Tendring)?**
- (b) Should the requirement figures reflect those proposed by the Home Builders' Federation (2,540dpa overall, comprising 762dpa for Braintree, 1,002dpa for Colchester and 776dpa for Tendring)?**

(c) Should the requirement figures be reviewed to reflect the criticisms made by Barton Willmore in their *Technical Review of [each] Council's Housing Need Evidence Base (July 2017)*, commissioned by Gladman Developments Ltd?

- 16 The starting point for identifying the OAN is the most up to date demographic data of relevance. This being the DCLG 2014- based household projections.
- 17 It is important that proper regard is had to the latest household projection figures. SPC recognise that these are only a starting point and other local factors will also need to be considered as well. It is also vital that any adjustments made are both accurate and realistic.
- 18 SPC does not consider that the available evidence points to the need for any higher OAN figure in relation to Braintree District.

Q.4) Are the affordable housing need figures set out in the HDH Planning and Development *Strategic Housing Market Assessment Update, December 2015 [EB/019]*, (212 dpa for Braintree, 267dpa for Colchester and 151dpa for Tendring) based on a sound analysis of the available and relevant evidence?

In particular:

(a) Is the estimate of 5,462 newly-forming households annually, at Stage 2 of the analysis, consistent with the findings of the PBA Study?

(b) Having regard to the definition of affordable housing in the NPPF Glossary, is there justification for excluding single adults under 35 from those considered to be in need of affordable housing (at the "Refining the model in a local context" stage of the analysis), if they can afford shared accommodation in the private rented sector or can afford the LHA shared room rate?

- 19 Please see our comments above regarding affordable housing (paragraphs 7 -11 refer).
- 20 **Q.5) Should policy SP3 make it clear that the five-year supply of housing land must include an appropriate buffer in accordance with NPPF paragraph 47?**
- 21 Yes, this is a national requirement, which needs to be followed by the North Essex Joint Strategic Plan. The Plan needs to be modified accordingly with 5% or 20% buffers to the five-year land supply requirements, depending upon whether each authority has seen a persistent under-delivery of housing.

Q.6) How will any undersupply of housing against the relevant requirement since 2013 be accounted for in the Section 1 Plan?

- 22** Any undersupply must be identified and factored into policy SP 3, especially given that its title is 'meeting housing needs'. This demonstrates the importance of the Government's requirement for Local Plans to significantly boost the supply of housing now. The concern with regard to the Joint Strategic Plan is that delivery will not realistically be capable of happening for some time, and that there ought to be more of a focus on delivery from smaller and medium size sites, which are more capable of contributing towards and addressing any under-supply that has accrued since the start of the plan period in 2013.

Q.7) Should policy SP3 include mechanisms for:

a) review of the housing delivery strategy in the event of a failure to maintain the required level of housing supply?

b) review of the housing requirement figures in order to provide for possible future unmet need from other local authority areas?

- 23** Yes, it is vital that the Joint Strategic Local Plan incorporates specific mechanisms and identified actions to address any deficiencies that arise in future housing supply.
- 24** There is a pressing need for a new housing provision to meet current identified needs. The North Essex authorities are seeking to deliver 2,500 dwellings within the Plan period. Should these levels of contributions not be forthcoming, then the shortfall will need to be made up from housing developments in other locations outside of the three Garden Communities.
- 25** There is a strong concern that the North Essex Authorities will be over-reliant on housing completions from new Garden Community sites. This dependency will considerably worsen in the next Plan period, when the Garden Communities will constitute a much greater proportion of each of the local authority's overall housing requirement figure.



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