



**East Cambridgeshire
Local Plan Examination**

**Matter Statement 3
OAN for Housing and Employment**

**Responses on behalf of
Endurance Estates Strategic Land Ltd
Respondent Number: 1065821**

May 2018

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1.0 INTRODUCTION

- 1.1 This Statement has been prepared by Turley, on behalf of Endurance Estates Strategic Land Ltd (Endurance Estates) pursuant to Part One of the East Cambridgeshire Local Plan Examination, June 2018.
- 1.2 Endurance Estates objects to a number of policies within the emerging Local Plan as set out in our November 2017 written representations. These are that the Plan has not been positively prepared, is not justified, effective or consistent with national policy. Therefore the Plan cannot be considered sound in its current form.
- 1.3 The main matters of dispute comprise, inter alia: the five year housing land supply, Policy LP2, Policy LP3, infrastructure provision and the transport strategy, along with settlement-based objections relating to Sutton and Fordham. This Matter Statement specifically considers **Matter 3**, questions 24 and 25 relating to objectively assessed needs for housing and employment land.
- 1.4 Endurance Estates and its professional planning advisors have not requested to participate in the relevant Matter Hearing Session and the Programme Officer has been notified accordingly.

2.0 RESPONSE TO QUESTION 24

Is the Council's use of the standard methodology to determine local housing need, referred to within the consultation draft of the National Planning Policy Framework, justified, positively prepared, effective, consistent with national policy, and an appropriate alternative methodology to that set out within the Planning Practice Guidance?

2.1 As currently drafted, Policy LP2 'will facilitate the delivery of 10,835 new dwellings (2016 - 2036)' This Policy is predicated on the use of a headline 'local housing need' figure of 11,960 new homes in the Plan period, taken directly from the September 2017 Government Consultation 'Planning for the Right Homes in the Right Places'.

2.2 As explained at paragraphs 3.3.4 and 3.3.5 of the Plan, in accordance with the signed 'Memorandum of Cooperation' there has been redistribution of East Cambridgeshire's housing need, amounting to some 1,125 dwellings within the wider Cambridge and Peterborough Housing Market Areas.

2.3 The Draft Planning Policy Guidance sets out the transitional arrangements for adopting the standardised methodology. For those authorities such as ECDC that have decided to adopt the new method at an early stage the Draft NPPG states that:

'The need figure generated by the standard method should be considered as the minimum starting point in establishing a need figure for the purposes of plan production'

2.4 The NPPG advises that the method relies on past growth trends and therefore does not include specific uplift to account for factors that could affect those trends in the future. Where it is likely that additional growth (above historic trends identified by household projections) will occur over the plan period, an appropriate uplift may be applied to produce a higher need figure that reflects that anticipated growth.

2.5 The NPPF explains the circumstances where an uplift will be appropriate include, but are not limited to; where growth strategies are in place, strategic level infrastructure improvements are planned, funding is in place to promote and facilitate growth (i.e. Housing Deals, Housing Infrastructure Fund).

- 2.6 The Greater Cambridge City Region has achieved global success as a world-leading research and technology hub, experiencing unprecedented economic growth in recent years. In 2014, the Greater Cambridge City Deal was announced by Government, which secured hundreds of millions of pounds of additional funding for investment in transport infrastructure to support strong economic and housing growth over the coming decades.
- 2.7 If Greater Cambridge is successful in proving these investments have driven economic growth, then another £200 million will be available from April 2020 onwards and a final £200 million from April 2025 onwards.
- 2.8 In view of the current housing shortfall across the Cambridge sub-region and the potential impact this issue could have on the areas future economic prosperity, we would strongly advise that an uplift should be added to the base housing need figure for the District. The Plan must align its growth strategy with the future economic growth potential of the district, which also includes key strategic employment allocations and an Enterprise Zone. Accordingly, the local housing need figure should be set out as a range, following the guidance set out in the Draft NPPG that the lower end of the range will be the minimum figure calculated using the standard method.
- 2.9 The proposed standardised methodology, by its nature, does not take into account the local employment growth aspirations of the district. In this respect, emerging Policy LP8 identifies a large part of Lancaster Way in Ely as having a national 'Enterprise Zone' status and detailed proposals are set out in the Plan for up to 50 hectares of new Business Parks. In addition Policy LP8 allocates other Strategic Employment Allocations throughout the remainder of the district, totalling some 143 additional hectares.
- 2.10 This potential to create over 190 hectares of new high quality strategic employment space is reflected in the disparity between the Council's preferred early adoption of the standardised methodology compared to the estimate of overall housing need in East Cambridgeshire undertaken by the Cambridgeshire County Council Research Group (CRG) in January 2016. The CRG model takes these and other employment trends in the district during the plan period into account and assesses the housing need as being 14,300 dwellings or 650 dwellings per year in the period 2014-2036.

- 2.11 This CRG model remains a key part of the evidence base for the examination of the Local Plan and we are persuaded by its findings.
- 2.12 As currently drafted Policy LP2 is not positively prepared as it is not based on a strategy which seeks to meet objectively assessed development and infrastructure requirements as required by the NPPF. In this regard, the Council has a very poor record of housing delivery over the past ten years and cannot mask its recent continued shortfalls by abandoning the recent up to date OAN in favour of a standardised methodology which can only attract little weight at this time.
- 2.13 The standardised methodology also does not take into account the future economic growth potential of the district, and so the housing figure should be expressed as a range that takes into account the employment trends identified by the CRG.

3.0 RESPONSE TO QUESTION 25

How does this methodology compare in absolute numerical terms to the more traditional approach set out within the Planning Practice Guidance and which has been followed within the October 2016 Objectively Assessed Housing Need paper (PE6)? What is the Council's reason to alter its approach to the calculation of its objectively assessed need between the publication of the Further Draft Local Plan in February 2017 and the Proposed Submission version of November 2017?

- 3.1 As a result of the Council's early decision to adopt the Government's new standardised method for calculating housing need, in absolute numerical terms the housing target has only risen from 586 dpa to 598 dpa, an increase of just 2%. The effect of adopting the new method was twofold: a) It brought forward the start date of the plan to 2016 and b) the requirement to recover the shortfall of 959 dwellings, which has accrued since 2014, no longer applied.
- 3.2 The scale of the housing shortfall that has accrued over the last 4 years, would suggest that this is one of the primary reasons behind the ECDC's decision to adopt the new methodology. Despite the fact that under the proposed strategy set out in the PSLP, the Council would not have to recover the shortfall of 959 dwellings, under Policy LP2 it is proposed that only the 'Liverpool Method' will apply to future supply calculations, up to December 2022. However given that there has only been only a very minor increase in the level of housing required under the new standardised method, we strongly refute the use of the Liverpool method, on the basis that it cannot be justified.
- 3.3 Rather than seeking to unnecessarily delay meeting the identified development needs, ECDC should be adopting the 'Sedgefield Method' and as set out in the Draft NPPF and looking to identify a range of sites that can deliver both in the short, medium and longer term. To do essentially the opposite would further exacerbate the issues facing the District, resulting in even poorer housing delivery and affordability.
- 3.4 As set out in our response to question 24, it is important to recognise that as stated in the Draft NPPG, the need figure generated by the standard methodology should be considered as the '**minimum**' starting point in establishing a need figure for the purposes of plan production as it does not take into account the local employment growth aspirations of the district.

- 3.5 Having reviewed the Council's Evidence Report for Policy LP2 (LP Doc Ref: PS:EVR2) it would appear that following the Government's consultation on the standardised methodology, no further work has been undertaken with regards to future employment trends or the implications this growth may have on the District's housing needs.
- 3.6 However, by not undertaking up-to-date economic research, ECDC have failed to properly consider if an option that proposes a higher level of growth than 10,835 should be required. This lack of consideration with regards to whether the proposed strategy will, when judged against reasonable alternatives, help to achieve relevant environmental, economic and social objectives, is therefore a serious failing in the basic preparation of the Plan.
- 3.7 On adopting a new housing target, which was informed by an up-to-date evidence base, ECDC should have reviewed the alternative growth options and undertaken an appraisal of the potential effects through the sustainability appraisal process. Given that this further work has not been undertaken, there is no clear evidence to show that the proposed strategy is appropriate and therefore justified.
- 3.8 On this basis we do not consider that the Plan meets the relevant tests of soundness.