



East Cambridgeshire  
District Council

## East Cambridgeshire Local Plan

### **Matter 17 – Delivering a wide choice of high quality homes**

East Cambridgeshire District Council  
Hearing Statement

September 2018

## Matter 17: Delivering a wide choice of high quality homes

**Relevant Policies- LP2, LP3, LP5, LP6, LP7, LP32 including individual site allocations and the housing trajectory**

***Issue 1: Whether the approach towards the supply and delivery of housing land is justified, effective and consistent with national policy?***

***63. What is the estimated total supply of new housing in the plan period 2016-2036? How does this compare with an annual requirement of 598 dwellings (11,960)? Would it be appropriate for the timescale of the Plan to be reduced from 2016-2034 (as per Council's letter of 3 August 2018) and would such an approach be justified, effective and consistent with national policy?***

The submitted Local Plan identifies a total *deliverable* supply of 11,672 dwellings, 2016-36 (see page 73). This would, therefore, be just short of the Inspector identified (ED031) figure of 11,960 dwellings.

However, for practical reasons, and to ensure the Local Plan can be adopted as soon as possible, the Council has already suggested (ED032) that the 'end date' of the plan be moved forward to 2034. The submitted end date of 2036 was of no particular consequence or meaning. However, to retain an end date of 2036, with its increased dwelling figure of 11,960, would unfortunately cause considerable delay to the adoption of the Local Plan, for reasons set out in the Council's letter of 3 August (ED032).

We believe that the Inspector can easily make such a modification to bring forward the end of the plan by 2 years, and doing so is clearly in line with the Planning Inspectorate's 'Procedural Practice in the Examination of Local Plans'<sup>1</sup> which states at para 6 that:

*"Inspectors will be positive, flexible and supportive of the objective of getting an up-to-date, sound plan in place."*

There would appear no national policy or legal necessity to retain the end date of 2036.

Two small consequential modifications will also be necessary with bringing forward the end date:

1. The anticipated delivery of homes at Ely North (ELY.M1) in the plan period will reduce by 300 to 2,700. Note: the overall indicative number of homes for this site will not reduce, and will be retained at 3,000, but the number assumed to be *deliverable* in the plan period to 2034 will be reduced to 2,700.
2. The anticipated delivery of homes at Littleport Land South of Grange Lane (LIT.M2) in the plan period will reduce further, to 450 (the submitted plan assumes 600). Note: the overall indicative number of homes for this site will not reduce, and will be retained at 1,200, but the number assumed to be *deliverable* in the plan period to 2034 will be reduced to 450.

Modifications will be suggested to be consistent with the Council's request under this question.

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[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/672662/Procedural\\_Practice\\_in\\_the\\_Examination\\_of\\_Local\\_Plans\\_-\\_final.2.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/672662/Procedural_Practice_in_the_Examination_of_Local_Plans_-_final.2.pdf)

**64. What is the estimated total supply in the plan period from a) completions since 2016; b) existing planning permissions; c) other commitments; for example, sites subject to S106; d) windfalls (including CLT developments); and e) proposed site allocations?**

Please see the table on page 73 of the submitted Local Plan.

However, that table on page 73 has been updated for three reasons:

- (a) To reflect the Inspector's Initial Findings (ED031)
- (b) To reflect the Council's response to those Findings (ED032)
- (c) To update the numbers due to year 2017/18 monitoring data now being available.

Accordingly, a revised table for page 73 can be found at Appendix 1 to this Statement. In addition, a revised housing trajectory chart is also provided in Appendix 1.

**65. What allowance has been made for, and on what basis will communal forms of accommodation contribute to the five year housing supply?**

No allowance has been made for communal accommodation to count towards either the overall dwelling requirement, or the five year housing land supply. To illustrate this point, no allowance has been made for the 75 bed care home which forms part of the Scotsdale's site in Fordham, only the 150 homes as approved have been allowed for.

**66. What are the assumptions about the scale and timing of supply and annual rates of delivery from these various sources? Are these realistic? For example, has there been any discounting of sites with planning permission?**

The Five Year Land Supply Statement (M03) provides a trajectory of development sites in appendix 1. An explanation of the estimated delivery rate is provided for each site in the trajectory. For example, some common assumptions applied are:

- Where a plot was under construction at the Five Year Land Supply's base date, assume plot will be completed in Year 1 of trajectory (i.e. the current year);
- Plots not started with full planning permission, assume completions from Year 2;
- Plots not started with outline permission or resolution to grant planning permissions, assume completions from Year 3;
- Large-scale, adopted and draft site allocations without planning permission, assume completions from Year 4 onwards;
- Strategic-scale, adopted and draft site allocations without planning permission, assume completions from Year 5 onwards, or later in plan period.

For sites submitted through the Call for Sites process, the Council has generally used the delivery rate indicated by the site promoter. Where the rate was not known, the Council typically expects large sites to be built at a rate of 35 – 50 dwellings per annum. For strategic scale sites, a rate of 50 – 75 dwellings per annum per outlet is assumed.

The above assumptions are considered reasonable and deliverable, and therefore realistic.

No discounting or lapse rate has been applied to sites with planning permission, because:

- all sites appear realistic and deliverable,
- the majority of sites already have consent (and therefore the risk that these sites not being delivered is very low); and
- A very conservative windfall allowance (1/3 of long term trends) has been applied. In reality, windfall will be much higher, compensating for any sites which do not deliver as expected.

**67. Specifically, are the timescales and rates of delivery on large sites over 500 dwellings realistic? Are there any barriers to development?**

Yes, they are realistic. If anything, they are pessimistic, and there is no barrier to delivering faster, should the market want to.

There are no particular barriers to delivery on any 500+ sites allocated, some of which are already under construction.

The five year land supply report provides commentary on individual sites. See also Matter 14 statements.

**68. How have windfalls been defined and what evidence is there to support future estimates?**

Please see the Council's response to Matter 4, Q33. This matter was also discussed at the Stage 1 hearing sessions, and the Council has no further statements to give.

**69. How has flexibility been provided in terms of the supply of housing? Are there other potential sources of supply not specifically identified? Can this be quantified?**

First, the plan has no 'cap' on delivering homes, either as a whole or at individual settlements.

Second, the Plan will provide a buffer, provided the end date of the Plan is brought forward to 2034.

Third, the Council believes the 'windfall' allowance and the CLT allowance are both very conservative, and will likely be exceeded.

Fourth, the Council has assumed not all of site LIT.M2 in Littleport will be developed in the plan period, but the Local Plan does not specifically prevent it doing so, if the market delivers the sites quickly. With the suggested modifications arising from Q63, site ELY.M1 also could come forward quicker than expected, providing further buffer.

Fifth, we must also remember that the NPPF, at para 47, requires a local planning authority to:

*"identify a supply of specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15"*

Clearly, the Council has gone well beyond the 6-10 year requirement, and has also met the 11-15 year 'where possible' request of the NPPF.

Future reviews of the Local Plan, which are now legally required to be reviewed on a regular basis, can identify more sites for the period from late 2020s, should it be necessary and appropriate to do

so. This therefore provides further flexibility for the supply of housing throughout the latter parts of the plan period.

Overall, therefore, there is considerable flexibility for the supply of housing.

**70. Has there been a persistent undersupply of housing? If so, is it appropriate that a buffer of 20% be applied?**

Yes, following the recent Fordham appeal decision, we accept that a 20% buffer should presently apply. And, once the buffer is calculated via the HDT (from Nov 2018), it appears extremely likely that, in the short term, 20% will continue to apply.

**71. How should the shortfall in delivery since 2016 be dealt with?**

Note: the following response is given based on the submitted plan, as potentially adjusted following the Inspector's Initial Findings. Please also read the Council's response to Q74

The submitted Plan states that any shortfall should be dealt with via the Liverpool method. Please see evidence report PS.EVR2 as to why the Council has taken this stance (from para 4.9 in particular).

In addition, on 3 September 2018, it is worth noting that two Local Plans within the same HMA as East Cambridgeshire had their plans found 'sound', provided main modifications are made. Such modifications included the insertion of the Liverpool method into their plans. This further reinforces the view that, in principle, it is appropriate for a plan to confirm the use of the Liverpool method.

Details:

<https://www.cambridge.gov.uk/local-plan-review-about-the-examination>

**72. What would the requirement be for a five year supply of housing, including a buffer, and accommodating any shortfall since 2016?**

Note: the following response is given based on the submitted plan, as potentially adjusted following the Inspector's Initial Findings. Please also read the Council's response to Q74

Without a stepped trajectory, it will be 3,812 over the five year period starting 2018/19, or 762 dpa. Please see appendix 2, Scenario 1, for the calculations.

Note: if the Sedgefield method was used, the figures increase to 4,396 over the five year period, or 879 dpa (scenario 3).

As discussed under Q73-74, neither of these figures are considered realistic and will likely result in a Five Year Land Supply not being demonstrated beyond plan adoption. In short, by requiring either figure (762 or 879) will be setting up the Plan to fail within months of adoption. That is not in anybody's interest, and the Inspector needs to ensure that any Main Modifications, when taken as whole, do not result in the likely prospect of such early failure.

**73. Would the Local Plan realistically provide for a five year supply on adoption? Will a five year supply be maintained?**

Note: the following response is given based on the submitted plan, as potentially adjusted following the Inspector's Initial Findings. Please also read the Council's response to Q74

This depends on a number of factors.

If:

1. The Inspector's Report concludes as per the Initial Findings that the annual dwelling requirement is 598dpa, without any stepped trajectory; and
2. The requirement to apply Liverpool Method is removed from the Local Plan

then it will be marginal whether the full 4,396 requirement is able to be demonstrated. Even if it was, the prospect of maintaining a 5YLS beyond the adoption of the plan appears remote, because delivering 879dpa requires the market to deliver homes at around 400% the rate it has recently.

Even with the retention of the Liverpool method in the Plan, the situation is very tight, and unlikely to be maintained much after Plan adoption.

Overall, therefore, if the Plan is to be modified by way of around a 15% increased overall dwelling requirement (as per the Initial Findings), the Plan also needs to be further modified to ensure the Plan remains realistic (see Q74).

**74. Is there a case for a staggered or phased housing requirement with a lower figure in the early years of the plan period to take account of the larger strategic allocations and the findings of my letter of the 30th of July? If so, what would be the appropriate phasing in respect of annual housing requirements and timing?**

If the overall dwelling requirement is to be increased to 598dpa without further modification, then the plan is likely to be unsound because it would be unrealistic and contrary to national policy.

This is because there is little prospect that a Five Year Land Supply could be maintained post adoption, and may well not be demonstrated as early as Spring 2019, once 2018/19 monitoring data is available.

Consequently, if the dwelling requirement is to be increased, as indicated by the Inspector that it should, then further modifications are necessary. This includes it being absolutely necessary to consider a stepped trajectory.

The Council's initial response on this matter, set out in ED032, was for the initial step to be around 500dpa. However, the Council has undertaken further analysis on this matter and its present position for the purpose of this statement is as follows.

The Council thinks that an appropriate first 'step' could reasonably be 542 dpa. This is the same dpa figure as was submitted, and it is therefore not unreasonable for the Council to seek such a figure i.e. the Council submitted what it believed to be an ambitious but realistic (deliverable) plan, at 542dpa. This 542dpa should commence in year 1 (2016/17) and end 5 years after adoption. Assuming

adoption will be around the end of 2018/19 monitoring year, this would mean the 542dpa step ended in 2023/24.

Consequently, the second step, for years 2024/25 onwards would be:

- 635 dpa, from 2024/25 to 2035/36; or
- 643 dpa from 2024/25 to 2033/34 (if the plan end date is adjusted to 2034 as recommended by the Council)

Arguably, the first step should be slightly lower, perhaps to the 500 dpa first indicated by the Council, if the Inspector wants to be reassured that there is reasonable prospect of the Plan being considered up to date for the first 1-3 years of its life post adoption, and the Council would welcome such a position. The 542dpa figure, therefore, should be regarded as the maximum which the Council is suggesting. And, for the avoidance of doubt, this requires the Liverpool method policy requirement to also be maintained in the Plan. If the Inspector is minded to remove the Liverpool method, then 542dpa becomes unrealistic, and a substantially lower first step (probably around 500dpa) will be required to ensure a realistic plan is adopted.

***75. In overall terms would the Local Plan deliver the wide choice of high quality homes required over the plan period?***

Yes, the Council is confident it will do so.

**Appendix 1 – updated Table on p73 & Housing Trajectory Chart on p74 of the Plan**

|                                  | (a)                                | (b)                                      | (c)                                     | (d)  | (e)   | (f)                       | (g)                  | (h)   | (i)  |
|----------------------------------|------------------------------------|--|---|--|---|---------------------------|----------------------|---|--|
| <b>Settlement Hierarchy Tier</b> | <b>Housing Requirement 2016-34</b> | <b>Completions 2016-18 (2 yr period)</b> | <b>Commitment from small sites with</b> | <b>Commitment from large sites with planning</b> | <b>Remaining commitment from site allocations</b> | <b>Windfall allowance</b> | <b>CLT allowance</b> | <b>Total housing growth 2016-34 (units)</b> | <b>Total growth 2016-34 as a percentage of total housing requirement (%)</b> |
| Main Settlements                 |                                    |  | 248                                     | 3,706  | 3,546   |                           |                      | <b>7,500</b>                                | <b>69.68</b>   |
| Large Villages                   |                                    |  | 202                                     | 670  | 541   |                           |                      | <b>1,413</b>                                | <b>13.13</b>   |
| Medium Villages                  |                                    |  | 137                                     | 64   | 671   |                           |                      | <b>872</b>                                  | <b>8.10</b>  |
| Small Villages                   |                                    |  | 190                                     | 0  | 10  |                           |                      | <b>200</b>                                  | <b>1.86</b>  |
| District (unspecified location)  |                                    |  | 523                                     |  |   |                           |                      |   | 700  |
| <b>Totals</b>                    | <b>10,764</b>                      | <b>523</b>                               | <b>777</b>                              | <b>4,440</b>                                     | <b>4,768</b>                                      | <b>700</b>                | <b>210</b>           | <b>11,418</b>                               | <b>106.08</b>  |
| <b>Dwelling surplus</b>          |                                    |  |   |  |   |                           |                      | <b>654</b>                                  | <b>6.08</b>  |



# Housing Trajectory 2016 - 2034



## Appendix 2 - Five Year Land Supply Calculation

|  |   | Scenario 1<br>(Initial Findings / No Stepped Trajectory / end date 2036 Liverpool) | Scenario 2<br>(Initial Findings / With Stepped Trajectory / end date 2034 / Liverpool) | Scenario 3<br>(Initial Findings / No Stepped Trajectory / end date 2036 /Sedgefield) | Comments   |
|--|---|--|--|--|--|
| <b>a</b>                               | Total housing requirement   | 11,960 (if to 2036)<br>10,764 (if to 2034)   | 11,960 (if to 2036)<br>10,764 (if to 2034)   | 11,960 (if to 2036)<br>10,764 (if to 2034)   |  |
| <b>b</b>                               | Annual requirement  | 598  | 542  | 598  |  |
| <b>c</b>                               | Five year requirement   | 2,990  | 2,710  | 2,990  | b x 5  |
| <b>Dwelling supply since base date</b> |   |  |  |  |  |
| <b>d</b>                               | Net completions since base date   | 523  | 523  | 523  | 2016/17 = 234<br>2017/18 = 289                                 |
| <b>e</b>                               | Target delivery rate since base date  | 1,196  | 1,084  | 1,196  | b x 2 (no. of years elapsed since base date)                   |
| <b>f</b>                               | Shortfall   | 673  | 561  | 673  | e - d  |
| <b>g</b>                               | Additional annual requirement to meet shortfall ( <i>Liverpool scenario 1 and 2; Sedgefield 3</i> ) | 37   | 35   | 135  | Scenario 1 = f / 18<br>Scenario 2 = f / 16<br>Scenario 3 = f/5 |
| <b>h</b>                               | Additional requirement to meet annualised shortfall in five year period                             | 187  | 175  | 673  | g * 5  |
| <b>i</b>                               | Updated basic five year requirement to include annualised shortfall (dwellings)                     | 3,177  | 2,885  | 3,663  | c + h  |
| <b>20% buffer</b>                      |   |  |  |  |  |
| <b>j</b>                               | Twenty percent buffer   | 635  | 577  | 733  | i x 20%  |
| <b>k</b>                               | Total 5 year requirement inc. shortfall; +buffer to requirement & s'fall                            | <b>3,812</b>   | <b>3,462</b>   | <b>4,396</b>   | i + j  |
| <b>l</b>                               | Average per year  | <b>762</b>   | <b>692</b>   | <b>879</b>   | l / 5  |