



Independent Examination: East Cambridge Single Issue Review (2023) Matters, Issues and Questions

Church Commissioners for England

March 2023

Introduction

- 1.1. Deloitte LLP ('Deloitte') is instructed by the Church Commissioners for England (hereafter 'the Commissioners') to submit Written Statements to the East Cambridgeshire Single Issue Review (SIR) Public Examination, which is subject to a Hearing Session on 28 March 2023.
- 1.2. Once adopted, the East Cambridgeshire Local Plan will:
 - Provide the overarching strategic approach to development;
 - Outline where development should take place and how it should be delivered; and
 - Identify appropriate development sites to meet the District's needs.
- 1.3. The Plan is being prepared by the Planning Policy Team at East Cambridgeshire District Council ('the Council').
- 1.4. The Commissioners have significant landholdings in and around Ely, including land that is currently allocated under Policy ELY 1 ('Housing-led sustainable urban extension, North Ely'), and thus are keen to continue to positively engage in the plan-making process. We therefore welcome the opportunity to comment on the Inspector's Matters Issues and Questions.
- 1.5. This Examination follows the Council's submission of the draft SIR Local Plan to the Secretary of State on 19 July 2022.

Housing Requirement

Question 1: The Council suggest that the housing requirement for the Plan set out in Policy GROWTH1 would be based on the minimum local housing need calculated using the standard method, to cover the period 2022 to 2031. Would the resulting housing requirement of 600 dwellings per annum derived from the minimum local housing need be sound?

- 1.6. The Commissioners welcome the principle of amending the approach taken to establishing the housing need and requirement figure from that taken by the Council within the submitted SIR Plan. As identified by the Inspector, in its previous iteration, Policy GROWTH 1 was inconsistent with national policy due to it using a 'hybrid' mix of two calculations to establish the housing need figure and underpin the housing requirement. Furthermore, the Council also took a retrospective approach rather than one that was reflective of future demographic trends or market signals. Again, this approach was contrary to national policy and guidance.
- 1.7. Whilst the principle of adopting the Standard Method and rebasing the housing need requirement (this being re-establishing the need at a revised point in time) to April 2022, removes the 'hybrid' aspect of its previous proposals and is in this context, consistent with national policy and guidance, it raises further questions regarding the overall SIR approach to the Local Plan taken by the Council. Within the Inspector's letter to the Council dated 31st January 2023 (document reference: EX.INS09) it clearly identifies that local planning authorities must not submit a plan to the Secretary of State unless it is ready for independent examination and "only submit a plan if they consider it to be sound and that there will not be long delays during the examination because significant changes or further evidence work are required". It is the Commissioners' view that the change proposed by the Council is a wholesale change to establishing the need and requirements upon which the whole SIR is based. Whilst the Council does not consider that there will be a material change to the housing need and requirement figures as a result of the amendment, the Commissioners' view is that this change relates to the very fundamentals of the SIR and all parties should have the opportunity to fully explore the implications of this during the statutory plan-making consultation process, as opposed to it being a modification introduced during the examination process.
- 1.8. Notwithstanding the above, with regards to the amended calculations undertaken by the Council and as set out in the Council's Topic Paper "*A suggested way forward by ECDC*", whilst the Commissioners do not contest the application of the formula by the Council, the Commissioners remain unsatisfied that the Council has properly considered whether any deviation from the Standard Method is required (as per national Planning Practice Guidance ('PPG') ref: 010 Reference ID: 2a-010-20201216).

As set out in the Commissioners' previous representations to the Regulations 18 and 19 consultations, as well as in the public Examination Hearing Statements, the Commissioners remain concerned with the Council's preferred approach of undertaking an SIR (of Policy GROWTH1), as such a narrow scope is unable to fully consider wider economic considerations that warrant adjustments to the requirement established using the Standard Method.

- 1.9. The Commissioners acknowledge that whilst the status of the Oxford-Cambridge Arc (or any proposed successor framework) is currently unconfirmed, there is renewed emphasis on the development of the Oxford-Cambridge axis through the creation of a new regional partnership board to help drive investment in the locality. Such investment would have positive economic implications which in turn would impact on the Council's housing requirement and should therefore be reflected within the SIR.
- 1.10. Furthermore, the Council needs to proactively address issues surrounding the provision of affordable housing. The Council's latest Annual Monitoring Report (December 2022) states *"the success of the Cambridge economy has caused the district to experience considerable pressure for housing growth. Rapid population growth has also placed pressure on local infrastructure and service provision – for example, education, transport, health services, recreation and utility services."*
- 1.11. The AMR also confirms that, on average, 56 affordable homes have been completed annually over the last 11 years – representing a chronic under-delivery of only 26% of the identified 215 affordable homes per annum requirement (as calculated in 2021 Housing Needs of Specific Groups report prepared by GL Hearn).
- 1.12. This issue is further exemplified in the East Cambridgeshire Local Plan – Second Consultation Report (published March 2022), where the Council stated:
"It is acknowledged that there is a need for more affordable housing, now, and almost certainly this will continue to be the case in the future. Delivery of new affordable housing is likely to be of significant weight when considering any development proposals.... A comprehensive review of the housing policies, including affordable housing policy, is a matter for a full Local Plan update to consider."
- 1.13. It is the Commissioners' view that the continued under-provision of affordable homes illustrates that current Local Plan policies are failing to provide a successful framework for the delivery of an appropriate number of affordable homes required in East Cambridgeshire, and that not only should the housing requirement be increased to help facilitate this, but a more comprehensive review of the Local Plan is required to appropriately mitigate these issues.

- 1.14. In summary, whilst the Commissioners welcome a move away from the ‘hybrid’ approach to establishing the Council’s housing need and requirement figures, they do not consider that such a significant change is proportionate to a single issue review. It is the Commissioners’ view that such a significant departure should come as part of a comprehensive local plan review. Furthermore, as per PPG Paragraph: 010 Reference ID: 2a-010-20201216, the housing requirement, as calculated by the Standard Method, does not determine the housing requirement of an area, and instead should be used as a starting point. It is the Commissioners’ view that Policy GROWTH1 should be targeting higher growth than the minimum figure calculated using the Standard Method, and therefore, as currently presented, cannot be considered sound.
- 1.15. The Commissioners consider that a housing requirement uplift should be utilised to support economic growth and ensure that the plan is future-proofed and provides flexibility, choice, and competition in the housing market, reflecting PPG Paragraph: 010 Reference ID: 2a-010-20201216. Similarly, as per PPG Paragraph 024 Reference ID: 2a-024-20190220, an adjustment to the minimum housing requirement would also help facilitate the greater delivery of affordable homes.
- 1.16. The Commissioners also disagree with the Council’s assertion that a duty to cooperate was engaged with neighbouring authorities. In the Council’s response to initial questions (dated 7 September 2022), the Council state that the “DtC process was followed”. However, in a meeting of Greater Cambridge authorities in January 2023, Stephen Kelly, Director of Planning and Economic Developer at Greater Cambridge Shared Planning Service, stated that he does not recall “any of the [neighbouring] authorities [offering] to take housing from South Cambridgeshire and Cambridge, and increase their own housing supply requirements as a consequence of that.” The Commissioners believe that had the duty to cooperate been properly engaged, then it would have resulted in a materially higher housing need.
- 1.17. The Commissioners’ view is that currently, the SIR fails to “positively prepare” (NPPF, Paragraph 35(a)) for the level of growth anticipated across the region, as identified above.
- 1.18. The Commissioners would welcome a comprehensive full review of the Local Plan, so that the Council’s pool of evidence can be utilised to create policies with equitable outcomes for residents of East Cambridgeshire.

Strategic Policy

Question 2: It is suggested that Policy GROWTH1, in respect of the delivery of housing, should be amended so that it would cover the period 2022 to 2031. Would the amended Policy be justified, positively prepared, effective, and consistent with national policy? If not, how should the proposed Policy be amended to make it sound?

- 1.19. Paragraph 22 of the National Planning Policy Framework (NPPF) clearly states that strategic policies should look ahead 15-years from adoption. A strategic policy (as outlined in the NPPF at paragraph 20) is defined as one that makes sufficient provision for housing, infrastructure, community facilities and conservation and enhancement of the natural, built, and historic environment.
- 1.20. The Commissioners disagree with the Council's assertion that *"para 22 is clearly written with a full local plan update in mind and not a very small SIR."* The Commissioners are not aware of any national guidance or policy which provides this caveat.
- 1.21. Paragraph 22 of the NPPF states that strategic policies should look ahead 15-years. The Council's view that there are set parameters for when this should be applied is not based in national policy, and therefore its application to Policy GROWTH1 is neither sound nor positively prepared.
- 1.22. The Commissioners' support the Inspector's interpretation that the Council's application of paragraph 22 is unsound.

Delivery shortfall in the adopted plan period to date

Question 3: There is a shortfall in the delivery of housing in the current plan period to April 2022 of 2,688 dwellings against the adopted requirement. The Planning Practice Guidance is clear that the standard method (for calculating minimum local housing need) identifies the minimum uplift that will be required and therefore it is not a requirement to specifically address under-delivery separately, as the affordability adjustment is applied to take account of past under-delivery. The Council's suggestion to rebase housing need to 2022 and for the housing requirement in Policy GROWTH1 to be amended so that it covers the period 2022 to 2031, rather than commencing in 2011, would address the existing shortfall to April 2022. Would this be sound?

- 1.23. The Standard Method calculation (as outlined in PPG ref: 010 Reference ID: 2a-010-20201216) contains an affordability adjustment. This affordability adjustment is designed to pick up the assumed historic shortfall in housing delivery, and when applied correctly to the Standard Method, ensures that there is no requirement to specifically address under-delivery through separate policies or exercises.
- 1.24. The Council has proposed to rebase its calculations to April 2022 so that the entire Plan Period's housing requirement has been calculated using the same formula.
- 1.25. However, it is the Commissioners' view that, as currently proposed, this calculated housing requirement does not fully take into account the specific under-delivery between 2011 and 2022.
- 1.26. The affordability ratio in the Standard Method is not designed to calculate a specific time period of under-delivery, nor a specific number of dwellings, and instead is used to address assumed historic under-supply within the housing market due to the housing affordability issues (as has been identified in East Cambridgeshire).
- 1.27. It is the Commissioners view that there is an already identified level of need between 2011 and 2022, that being the housing need as defined in the adopted East Cambridgeshire Local Plan 2015. It is not sound, nor is it positively prepared, to retrospectively re-define this level of need (if the Council choose to maintain the same Plan Period).
- 1.28. Whilst the Commissioners do not agree with the approach, it is the Council's prerogative to undertake a SIR of this Plan if they choose to, however, in this event, they must also accept that if seeking to rebase the Plan Period, then this should be at least 15 years from the point at which any new housing requirement is adopted (i.e. run until April 2037).
- 1.29. The approach taken by the Council neither addresses the backlog, nor does it extend the Plan Period to the minimum 15-years, and as such, it cannot be considered positively prepared or consistent with national policy.

- 1.30. The Commissioners would welcome a comprehensive, holistic review of the Local Plan that runs over a 15 year period, in order to better capture the level of need within the Plan area.

Main Modifications

Question 4: The Council has suggested an updated schedule of Main Modifications (EX.LA11). Are the suggested Main Modifications necessary for soundness?

- 1.31. For the reasons detailed within the response to Question 1, the Commissioners do not consider that the suggested Main Modifications are necessary for soundness. The changes proposed expose the issues with the SIR as submitted, go to the very heart of the SIR and significantly alter the fundamental approach to establishing the Council's housing need and requirement. As the scope of the SIR is underpinned by the newly established housing need and requirement figures, it is considered that the changes extend beyond the remit of being a modification and alter the underlying approach to the review.
- 1.32. Whilst it is the Council's view that the outcomes of the proposed changes are not materially different to the proposals within the submitted SIR Plan, the Commissioners consider that the changes should be holistically looked at as part of a full Plan review, with all parties given the opportunity to explore and comment on the implications via the statutory plan-making consultation process.
- 1.33. Matters regarding the 'soundness' of specific key changes that go to the heart of the SIR are again highlighted in response to Questions 1, 2 and 3. In addition, the Commissioners also specifically raise concern with proposed Main Modification reference 6a.
- 1.34. These changes relate to the Council applying a general "principle of development" within the area defined as "Broad Areas". The application of a general "principle of development" allocation, is, in the Commissioners' view, outside the scope of this SIR, extending beyond the establishment of a new housing requirement.
- 1.35. Defining additional allocations should come as part of a full Local Plan Review, wherein landowners and agents are able to fairly submit their own representations and submissions for the Council's consideration.
- 1.36. In summary, the Commissioners recommend the removal of the proposed Main Modifications, and the undertaking of a full comprehensive review of the Local Plan, in order to define an appropriate revised housing requirement, with updated allocations to support a level of growth which is necessitated by the identified economic growth within East Cambridgeshire.



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