
**Examination of East Cambridgeshire Local
Plan Single Issue Review
Hearing 2 Matter Statement**

**Provision for housing (continued)
Questions 1 - 4**

Representations on behalf of
L&Q Estates Limited and Hill Residential Limited

March 2023

Examination of East Cambridgeshire Local Plan Single Issue Review

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**Housing Provision
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1.0 INTRODUCTION

- 1.1 This Matter Statement has been prepared by Barton Willmore, now Stantec, on behalf of L&Q Estates and Hill Residential in response to Matter 2: Provision for housing (continued) and directly in response to questions 1 - 4 of Hearing 2 raised by the Inspector in the Matters, Issues and Questions consultation closing 17 March 2023.

- 1.2 These representations follow our previous comments submitted to the Regulation 18 Issues and Options in December 2020, Regulation 18 Preferred Options in February 2022, Regulation 19 Proposed Submission in May 2022 and Matters Statements of Hearing 1 in November 2022.

2.0 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?

- 2.1 Local plans must, as a minimum, seek to meet objectively assessed need to ensure they are 'positively prepared' in accordance with Paragraph 35 of the NPPF. The standard method identifies the minimum number of homes expected to be planned for; it does not produce a housing requirement figure as advised by Paragraph 002 of NPPG. Whilst the affordability adjustment in the standard method aims to take into account past under-delivery it does this over a future 15 year plan period and does not consider the needs of groups with specific housing requirements.
- 2.2 As demonstrated in our Housing Need Assessment submitted in response to Hearing 1, there are several reasons why unconstrained housing need exceeds the standard method minimum need which ECDC has adopted as the housing requirement for the purposes of the SIR. Affordable delivery has been 14% of delivery across all tenures over the past decade. Based on 14% delivery, overall housing need would have to be over 1,800 dpa to deliver the HEDNA's calculation of need (254 affordable dwellings per annum). We do not advocate that affordable housing need must be met in full, but this must be considered in the context of PPG which states that "An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes" (Paragraph: 024 Reference ID: 2a-024-20190220).
- 2.3 As section 3 of our Housing Need Assessment summarises, East Cambridgeshire District lies within the Cambridge Sub-Region Housing Market Area, which is located at the centre of three sub-regional economic growth areas of national and international significance. The National Infrastructure Commission (NIC) determined that job growth could be between 500 and 700 jobs per annum (jpa) between 2014 and 2050 in East Cambridgeshire as part of the 'Cambridge, Milton Keynes, Oxford, Northampton Growth Corridor'. Using bespoke demographic modelling we have determined that the standard method minimum housing need (600 dpa) would support approximately 500 jpa. However, to support the NIC report's 'Transformational' scenario, housing need is between 773 and 805 dpa.

- 2.4 The 'Transformational' scenario is a very realistic prospect when considered in the context of historical job growth in the district. Reference to the April 2022 Oxford Economics data shows an increase of 22,417 jobs between 1991 and 2021. This equates to 747 jobs per annum, or an average annual increase of 2.9%.
- 2.5 It is also a very realistic prospect when considering the recent findings of the Greater Cambridge's Employment and Housing Evidence Update (December 2022) commissioned by Cambridge City Council and South Cambridgeshire District Council¹. This update showed faster growth in key employment sectors (even accounting for Covid-19 impacts) and significantly higher population growth than previously estimated in Greater Cambridge. This has influenced a higher future forecast for the number of jobs and homes needed in Greater Cambridge resulting in 8,200 more jobs and 7,400 more homes added to previous estimates up until 2041. As ECDC is part of the same sub-regional housing market (as detailed in previous SHMAs), this evidence shows why housing growth forecasts may be higher for ECDC and why it cannot rely on the Housing Needs of Specific Groups report by GL Hearn (Oct, 2021), which does not consider the relationship between economic growth and housing need.
- 2.6 PPG Paragraph 010 (ID 2a-010-20201216) advises how higher need will be looked upon favourably. We therefore consider that the decision not to explore other circumstances that may warrant an increase to the unconstrained assessment of need to conflict with PPG. Accordingly, ECDC should undertake a full assessment of unconstrained housing **need** as an entirely separate exercise from establishing a requirement, in line with PPG. There are clear reasons why unconstrained housing need exceeds the standard method minimum need and why the adoption of the standard method at 600dpa does not meet the tests of soundness. Our answer to Question 3 (below) also explains why a housing requirement figure of 600dpa does not meet the tests of soundness when considering the shortfall in delivery to date.

¹(see **Greater Cambridge Employment and Housing Evidence Update** (Dec, 2022) by Icen: <https://consultations.greatercambridgeplanning.org/sites/gcp/files/202301/EBGCLPDSUEandHEvUJan23v1Jan23.pdf>)

3.0 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?

- 3.1 Policy GROWTH1 is a strategic policy relating to the housing requirement for the district that clearly falls within the definition of a strategic policy set out in paragraph 20 of the NPPF. As such, this policy must look ahead at least 15 years following adoption to anticipate and respond to long-term requirements and ensure delivery of sustainable development in accordance with paragraph 22 of the NPPF. The proposed draft Local Plan only looks 9 years ahead to 2031, which is inconsistent with national policy requirements and consequently unsound.
- 3.2 The Council's justification for the limited plan period is that there is nothing in law requiring a plan period to have a 15 year period from adoption. Even though there is no legal requirement for a 15 year plan period, this does not make a plan sound if it is proposed to be less. The PPG (Paragraph: 012 Reference ID: 2a-012-20190220) is clear that the NPPF "requires" strategic policies to look ahead over a "minimum" of 15 years. The tests of soundness are set out in paragraph 35 of the NPPF and it is hard to see how a plan period of less than 10 years is 'justified', 'positively prepared' and consistent with national policy in this regard given the inherent limitations it places on the Council's ability to plan sustainably over the medium and long term. In this case, it will compromise the very essence of strategic planning given the evidence to date shows that the Plan has not been delivering against its housing objectives and simply updating the housing requirement to the standard method will not resolve this.
- 3.3 If the plan period is being rebased it surely follows that the plan period should be consistent with national policy. To do this will require a wider review of the Plan. The Council's decision to pursue a Single Issue Review has muddied the waters, as is evident through the deliberations of the local plan examination. The Council's reference to the Forest Heath local precedent is also not comparable as explained in paragraphs 2.3-2.4 of our previous Matters Statement in response to questions 11-15. Consequently, it is not possible to resolve the soundness issues arising from the Council's latest proposals within a Single Issue Review.

4.0 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?

- 4.1 Whilst the standard method takes past under-delivery into account, it does that over a 15 year period. A plan which only looks nine years ahead will not account for the totality of historic under-delivery and hence simply using the standard method will not meet housing needs and cannot therefore be sound.
- 4.2 The shortfall in housing delivery up until April 2022 was substantial at 2,688 homes. Looking to future years, the standard method results in an uplift of 25 homes annually compared to the original OAN of the Plan, which will add 225 homes to the total housing requirement up until 2031. This only makes up for 8% of the 2,688 homes not delivered so far, which highlights why the standard method provides a *minimum starting point* in determining the number of homes needed in an area.
- 4.3 To be found sound, the plan period should be extended to a minimum of at least 15 years so that the Council can consider how best to address this shortfall more effectively, as there is clear justification to amend its growth strategy and housing requirement to one that reflects a stepped housing trajectory. The Council's current proposal does not meet the tests of soundness and will result in a much lower housing requirement of c.9,000 homes rather than the 11,500 homes originally planned for. This cannot reflect the basis of *soundness* envisaged by the Government when it drafted the NPPF. The housing requirement in the district has only gone up over time and affordability has generally

worsened so it makes no logical sense for the plan review process to result in a reduction in the housing requirement over the totality of the plan period.

- 4.4 The proposed amendments also confuse the main construct of the Local Plan and its objectives, which is a point the Council has already acknowledged in its response to the Inspectors initial questions (Q6) (EX.LA03(A) where it states:

*"Re-basing the start date of the Local Plan to, say 2022, when the LHN assessment figures are utilised would be incredibly confusing, and **would require widescale changes elsewhere in the Plan in order for the plan as a whole to 'make sense' and read coherently.** There appears no benefit in bringing the start date of the Plan forward. For example, it would not alter the forward looking housing requirement figure."*

- 4.5 Whilst housing needs prior to 2022 are now 'historic' the overall growth strategies in the Local Plan are built on the premise of meeting 11,500 homes and 9,200 jobs and allocating sufficient land to meet this need in a sustainable way. The OAN for the period 2011-2022 is proposed to be erased by the Council's latest amendments but whilst this might be an easy way to 'wipe the slate clean' it is piecemeal approach and does not properly consider the implications on sustainability, climate change, housing affordability and jobs growth. This reflects a more fundamental reason as to why the Single Issue Review does not meet the tests of soundness.

5.0 QUESTION 4: THE COUNCIL HAS SUGGESTED AN UPDATED SCHEDULE OF MAIN MODIFICATIONS (EX.LA11). ARE THE SUGGESTED MAIN MODIFICATIONS NECESSARY FOR SOUNDNESS?

5.1 The suggested main modifications do not meet the tests of soundness as explained in our answers to Questions 1-3 above.

6.0 CONCLUSION

6.1 This Statement has been produced on behalf of L&Q Estates and Hill Residential, in response to Main Matter 2 and directly in response to questions 1-4 of Hearing 2. We have the following key points to make:

- The shortfall in housing delivery in the district up until April 2022 was substantial at 2,688 homes. Looking to the future, the standard method results in an uplift of 25 homes annually compared to the original OAN of the Plan, which will add 225 homes to the total housing requirement up until 2031. This only makes up for 8% of the 2,688 homes not delivered so far, which highlights why the standard method provides a *minimum starting point* in determining the number of homes needed in an area.
- The analysis in our accompanying Housing Need Assessment shows there to be several reasons why unconstrained housing need exceeds the standard method minimum need which ECDC has adopted as the housing requirement for the purposes of the SIR.
- Policy GROWTH1 is a strategic policy relating to the housing requirement for the district that clearly falls within the definition of a strategic policy set out in paragraph 20 of the NPPF. As such, this policy must look ahead at least 15 years following adoption to anticipate and respond to long-term requirements and ensure delivery of sustainable development in accordance with paragraph 22 of the NPPF.
- If the plan period is being rebased it surely follows that the whole plan should be reviewed to ensure consistency with the plan objectives and with national policy. The Council's decision to pursue a Single Issue Review has resulted in a piecemeal approach, which has muddied the waters, as is evident through the deliberations of the local plan examination. By the Council's own admission, the re-basing of start date requires widescale changes elsewhere in the Plan in order for the Plan as a whole to 'make sense' and read coherently . Consequently, it is not possible to resolve the soundness issues arising from the Council's latest proposals within a Single Issue Review.
- If the Council's proposed amendments are found unsound there are no negative consequences to the Council: it will simply continue to use the standard method

for the purposes of its 5 year housing supply and will need to start a full review and update of its Plan to meet needs.

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