
Examination Hearing Statement Matter 2: Provision for Housing

East Cambridgeshire Local Plan
Single Issue Review



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1. Introduction

Preamble

- 1.1. This Statement has been prepared by Savills (UK) Limited on behalf of Manor Oak Homes Limited.

Background

- 1.2. The requirement for the Single Issue Review ('SIR') stems from the Second Review of the Local Plan; the First Review of the Plan having concluded that the: "... *Local Plan 2015 does not at the present time require to be updated*" (as is noted in the opening paragraph of the Second Review). Both Reviews were undertaken pursuant to Section 17 of the Planning and Compulsory Purchase Act 2004.

- 1.3. However, the Second Review, dated April 2020 (CD.14), concluded (para. 4.2):

"... [the] Local Plan 2015 does require to be revised, but only partially and only in respect of its strategic housing policies. Of those policies, Policy GROWTH1 needs to be revised, because it has an out of date housing requirement ...".

- 1.4. With regard to 'whether there has been a change in housing need', and thus policy GROWTH1, the Second Review opens by noting (para. 3.9) (emphasis added):

"Fundamentally, when taken as a whole since 2015, there has been no substantive change of circumstance in the district."

- 1.5. Manor Oak Homes thus questions, as it has done for the past three or more years, whether the conclusions of the Second Review were soundly based, correct and/or whether the SIR is in fact, required. Notwithstanding that, Manor Oak Homes has engaged with the SIR process throughout.

The Issue / Sub-Issues

- 1.6. In relation to Matter 2, the Inspector has identified the following single issue:

Issue: Are the proposed amendments to Policy GROWTH1 and the explanatory text of the Plan positively prepared, clear, justified and consistent with national policy and will they be effective?

- 1.7. Under the main issue the Inspector has then identified a series of sub-issues (identified in bold in the 'Matters, Issues and Questions' and then questions. This Statement is formatted in that manner.

Scope of this Statement / Previous Representations

- 1.8. This Statement seeks to expand on both our previous representations to the Single Issue Review ('SIR') in May 2021, February 2022 and June 2022, and those representations submitted by Carter Jonas also on behalf of Manor Oak Homes (ECDC refs. '13' (5 parts) and '33' (3 parts)).

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- 1.9. Where necessary during the Examination Hearings we will refer to our, or Carter Jonas', previously-submitted representations, but as per the Inspector's guidance we have not reiterated the detailed content of those in this Statement.

2. The Plan Period

Q.11 The amended Policy GROWTH1 would cover the period to 2031, and consequently will not look ahead over a minimum of 15 years from adoption as per NPPF paragraph 22. What is the justification for this, and is the Plan positively prepared in this regard?

NB The SIR refers to it relating to the period 2022 – 2031; it is assumed that this is a reference to the period 1st April 2022 to 31st March 2031 – a period of 9 years.

2.1. Para. 22 of the NPPF states (emphasis added):

“Strategic policies should look ahead over a minimum 15 year period from adoption to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure. ...”

In Manor Oak Homes’ view, this is pretty clear.

2.2. In response to the Inspector’s initial questions (EX.LA03(A)) (ref. 11. Q6), the Council simply states:

“There is nothing in law requiring a plan to have a 15 year period from adoption, and the NPPF at para 22 is clearly written with a full local plan update in mind (not a very small SIR).”

2.3. In short, the Council is suggesting that there is no need for it provide ‘justification’ for its proposed approach (whereby the revised Local Plan would have just over 8 years (see CD.10(B)) left from the adoption of the SIR) as there is no ‘legal’ requirement for strategic policies to look ahead over a minimum of 15 years – i.e. it is suggesting that the NPPF should be ignored as it is not enshrined in law.

2.4. In addition, the Council seems content to suggest that there is no need to look ahead 15 years as the Government’s national policy in para. 22 only applies to ‘full’ Local Plan reviews; yet nowhere in the NPPF or PPG is this stated.

2.5. The Council also refers the Inspector to paras. 3.3 to 3.4 of the Regulation 19 SIR consultation document (CD.03), wherein it states:

“The Council does not intend to amend the overall 2015 Local Plan Period of 2011-31. To do so would likely have wider implications beyond the intention of the SIR.”

and, then reiterates this in more detail (para. 3.4).

2.6. In short, the only ‘justification’ given by the Council for not looking ahead 15 years (i.e. ‘extending the plan period’) is that it would have result in more work being required. This is not ‘justification’, it is, we suggest, an ‘excuse’.

2.7. The Council continues (para. 3.4):

“... This option has already been rejected by the Council. ...”

which is not justification, and:

“... A comprehensive update of the Local Plan will be undertaken once clarity is available in respect of a forthcoming Planning Act. Commencing a comprehensive review ahead of such changes could lead to considerable resource expenditure and the potential of such a Plan not being completed.”

yet the Government has been quite clear for some time that Local Planning Authorities should not delay plan-making in the anticipation of future changes to the planning system.

- 2.8. Back in October 2020 the Government’s Chief Planner Joanna Averley said that one of her ‘key messages’ to Local Planning Authorities was to ‘keep on planning’ (emphasis added)¹:

“We have been receiving anecdotal feedback that some local authorities may be considering pausing or slowing down the preparation of their local plan, in part due to the uncertainty of when the proposals outlined in “Planning for the Future” come into force. We would strongly encourage local authorities to continue in the preparation and adoption of local plans. There will be a period of policy development after the receipt of the responses to the White Paper. This will in turn be followed by the preparation and progress of any legislation required to implement the planning reforms. This will take some time and it’s therefore important that local areas have a plan in place.”

- 2.9. In a statement to Parliament on 19th January, Minister of State for Housing, Rt Hon Christopher Pincher MP delivered the same message² (emphasis added):

“The White Paper sets out proposals to deliver a significantly simpler, faster and more predictable system. These proposals will need further development. Authorities should not use this period as a reason to delay plan-making activities. Authorities who have an up-to-date plan in place will be in the best possible position to adapt to the new plan-making system.”

- 2.10. More recently, in February 2022, the Chief Planner reiterated³:

“Whilst we understand that many colleagues in local government are looking forward to further detail on the precise details of our changes to planning, I would like to take this opportunity to encourage local authorities to continue work to ensure they have an up-to-date local plan in place in a timely manner.”

- 2.11. The Government’s advice in this regard has not changed; the Council is acting directly contrary to this advice.

Summary

- 2.12. In summary, it would appear that real reason why revised Policy GROWTH1 would only cover the (c. 8-year) period to 2031, and consequently would not look ahead over a minimum of 15 years from adoption

¹ See [HERE](#).

² See [HERE](#).

³ See [HERE](#).

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as per NPPF para. 22, is because the Council considers doing so to be too difficult, or time consuming, or costly. These are not material planning reasons to justify proceeding contrary to national planning policy. Overall, by not looking ahead the recommended 15 years, the revised Local Plan would not be positively prepared and would not be able to anticipate or respond to longer-term requirements or opportunities.

3. The Housing Requirement – Overall Approach

Q.12 The Plan seeks to apply a housing requirement in two parts, derived from the past delivery of housing from the base date of the local plan to date, and thereafter applying the outcome of the standard method for the remainder of the plan period. Is the approach set out in the Plan justified, positively prepared, consistent with national policy and would it be effective?

NB We also address this matter in relation to Question 18 below.

- 3.1. No; for the reasons we set our response to Questions 13 and 15 to 20, this approach is not justified, positively prepared or consistent with national policy, nor would it be effective.

Summary

- 3.2. In summary, if it is concluded that there is no need to re-base the revised Local Plan to 1st April 2022 or it is not appropriate to do so, it is not necessarily wrong to calculate the housing requirement for the first part of the plan period 2011 to 2022 and the second part of the plan period 2022 to 2031 using two different methodologies. However, it is the way in which the Council has proposed doing this that results in the approach not being justified, positively prepared or consistent with national policy, nor likely to be effective.

4. The Housing Requirement 2022 – 2031. Calculation of housing need using the standard method.

Q.13 Why has the plan period not been rebased to the base date used in the standard method calculation? Is this justified?

4.1. See also our response to Question 11.

4.2. In response to the Inspector's initial questions (EX.LA03(A)) (ref. 11. Q6), the Council simply states:

“Re-basing ... to, say 2022 ... 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.

Put another way, this option was not even considered as a reasonable alternative option, as the Council sees no benefit in doing so. Consequently, there is no evidence to demonstrate why this option was dismissed.”

4.3. The above is confusing. The Council's response states that to re-base the Local Plan to 2022 would be a) confusing, and b) require widescale consequential changes. However, whilst the Council then states that this was not considered as a reasonable alternative option, it is not clear whether the Council considered it and deemed to not be a reasonable alternative, or whether it simply didn't consider it at all. The reference to there being no evidence suggests the latter, in which case how has it come to the conclusion that it would be confusing and require widescale consequential changes?

4.4. Yet more confusion arises from the Council asserting that it “sees no benefit” in such an approach, but then suggesting that such an approach has not been considered: which is it?

Summary

4.5. In summary, the Council has not provided any justification as to why has the plan period not been rebased to the base date used in the standard method calculation (i.e. 2022); indeed it is not even clear whether the Council has considered this (as a reasonable alternative option).

Q.14 Is there any substantive evidence to demonstrate that it would be appropriate to plan for a higher housing need figure than the standard method indicates in this case as per advice set out in the PPG (Paragraph: 010 Reference ID: 2a-010-20201216)?

No further comment.

Q.15 Is there any substantive evidence to demonstrate that there should be an adjustment to the minimum housing requirement to help deliver affordable housing as per the advice in the PPG (Paragraph: 024 Reference ID: 2a-024-20190220)?

4.6. In response to the Inspector's initial questions (EX.LA03(A)) (ref. 11. Q7), the Council simply states:

4.7. The Council is not reviewing its affordable housing policy as part of the SIR.

"As it is not reviewing that policy, it would seem somewhat illogical to amend a housing requirement figure, if the affordable housing policy itself is not being adjusted.

That said, the standard method already provides a very significant uplift to address affordability (approaching 50% in East Cambridgeshire's case).

If the Inspector deems it necessary to investigate affordable housing needs, and whether an uplift is necessary ..."

4.8. With regard to the above, PPG clearly states (ID: 2a-024-20190220):

"The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments. 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."

4.9. The NPPF is clear that plan-making authorities thus need to consider the need for affordable housing when establishing a Local Plan housing requirement, yet it is evident from the Council's commentary above that it has not done so in preparing the SIR.

4.10. The Council's comment regarding the Standard Method 'uplift' does not directly address the need for 'affordable housing' – the Council's reference to this suggests an erroneous conflating of two largely separate matters.

4.11. The Council does then go on to note an affordable housing need of 254 dpa as identified in the 2021 SHMA and to note that this is "42% of the proposed housing requirement" for 2022 to 2031.

4.12. The Council then suggests that all is fine with its proposed approach because the .

"The Local Plan 2015 policy seeks 30-40% affordable housing. Whichever figure is used from above (31% or 42%), it is very close to the policy requirement."

- 4.13. In short, because the adopted Local Plan seeks the provision of 30-40% affordable housing (depending on the location of the site within the District), this is sufficient to deliver a need equivalent to 42% across the District. Not only does this ignore the fact that in half of the District the level of need identified in the latest SHMA is 12% higher than the adopted Plan requirement, but it also ignores the fact that the adopted policy does not require affordable housing as part of every development, or that not all housing developments deliver policy-compliant levels of affordable housing.
- 4.14. By way of evidence, national data (Live Table 1008C) records that over the period 2011/12 to 2020/21 some 625 affordable homes were delivered in the District. Out of the total of 3,018 new homes (see Question 17 below), this equates to a delivery of just over 20% of all new homes as affordable housing.

Summary

- 4.15. The latest SHMA identifies a level of affordable housing need in East Cambridgeshire that equates to 42% of the proposed housing requirement for 2022-2031. Recent records suggest that actual delivery of affordable housing is approximately 20% of total delivery – i.e. half of what is required. This evidence demonstrates the need for an increase to the minimum housing requirement.

Q.16 Is the explanatory text set out in paragraph 3.2.5 of the Plan relating to objectively assessed need and the standard method consistent with national policy as expressed in the NPPF?

- 4.16. This question needs to be considered in two parts.
- 4.17. The proposed wording of the first part – the first three sentences, relates to the calculation of the forward-looking Standard Method Local Housing Need ('LHN') for the period 2022 to 2031. In relation this part we would suggest that the wording be reduced given that the NPPF does still refer to the need to plan to meet "objectively assessed needs"; simply there is no need for much of the explanatory text proposed.
- 4.18. The proposed wording of the second part – the fourth and fifth sentences, relates to the Council's proposed methodology for calculating the housing requirement for the first part of the plan period 2011 to 2022, and how this is then added to the requirement for the second part of the plan period 2022 to 2031. In relation to this, please see our response to Questions 17, 18 and 19.

Summary

- 4.19. In summary, the explanatory test is not consistent with national policy.

5. The Housing Requirement 2011 – 2022 and dealing with past under-supply.

Q.17 What is the Objectively Assessed Need (OAN) for housing for the first part of the plan period 2011 to 2022?

- 5.1. The OAN for the first part of the plan period is identified in the 2013 Strategic Housing Market Assessment ('SHMA').
- 5.2. It would be inappropriate to apply the Standard Method for calculating Local Housing Need ('LHN') to the period 2011 to 2022 as this Method was only introduced in 2018, 7 years after the base date of the plan, and 3 years after the 2015 Local Plan was adopted.
- 5.3. The SHMA identified an OAN for East Cambridgeshire between 2011 and 2031 of 13,000 homes – equivalent to an annual average of 650 dwellings per annum ('dpa'). Under the Duty-to-Cooperate it was agreed that 1,500 of these homes would be delivered elsewhere, leaving 11,500 to be delivered in East Cambridgeshire – an average of 575 dpa, as referenced in the 2015 Local Plan (para. 3.2.5).
- 5.4. As noted in Section 1, over the period 1st April 2011 to 31st March 2022 (an 11 year period), the SHMA thus identified the need for **7,250 homes**, with the 2015 Local Plan (Policy GROWTH 1) setting a requirement for 6,325 homes.
- 5.5. For comparison, the Council's latest 'Authority's Monitoring Report' ('AMR') for the period 2020-21 (CD.16), dated December 2021, sets out at Table 2 that between 1st April 2011 and 31st March 2021 a total of 3,018 new homes were delivered (net, including C2 uses). Table B.1 at Appendix B also shows delivery of 619 dwellings in 2021/22 (net, not including C2 uses), which would mean that a total of 3,637 homes were delivered in the first part of the plan period 2011 to 2022, some 3,613 homes less than the identified need, and 2,688 homes less than the reduced target set out in Policy GROWTH1.

Summary

- 5.6. In summary, the OAN for the first part of the plan period 2011 to 2022 was 7,250 homes.

Q.18 What is the justification for basing the first part of the dwelling requirement upon completions to date in the plan period?

- 5.7. There is no justification for the Council's proposed approach.
- 5.8. Despite this matter being raised in responses submitted to the consultations on the emerging SIR, the Council has never justified its approach. We are thus left only with the content of the Regulation 19 consultation document itself (CD.03), wherein the Council states (para. 4.4):

“To calculate the total housing requirement for the ‘plan period’ (2011-31), it is necessary to work ‘backwards’ (to the plan base date of 2011) and ‘forwards’ (to the plan end date of 2031).”

and (para. 4.5):

“To do this, it is proposed to split the calculations into two halves, first for the period 2011-2022, and second for the period 2022-2031.”

5.9. More importantly, it goes on to say (para. 4.6) (emphasis added):

“The housing requirement for 2011-22 will be established as being the housing delivered between 2011-2022. ...”

5.10. The document then states that this approach is consistent with national policy and guidance on the Standard Method; simply – it is not.

5.11. The Standard Method is a forward-looking calculation of LHN. What the Standard Method categorically does not do is allow one to assert that historic delivery equates to historic need (or, as the Council put it, the historic requirement). As we note in our representations to the Regulation 19 consultation document (CD.03):

“The Council now states (para. 4.7) that 3,018 dwellings were delivered over this period (i.e. equivalent to approximately 300 dpa) and proposes that this figure be ‘established’ (para. 4.6) as the housing requirement for the period 2011-2021. Presumably, had only 1,000 dwellings been delivered over the period 2011-2021 the Council would now be suggesting that the ‘housing requirement’ for the period was only 1,000 dwellings. Its proposition is, simply, both nonsensical and unjustifiable.”

5.12. In response to our representation, the Council simply notes:

“Overall, the Council continues to reject such arguments.”

in the next bullet then stating that the approach taken by the Council is consistent with the NPPF / PPG; whereas, for the reasons set out above and in our representations, it simply isn't. We can only assume that the Council has misunderstood the purposes of the Standard Method.

5.13. This matter was raised in the Inspector's initial questions (EX.LA03A) (ref. 11. Q5), albeit the question was phrased in a subtly, but very important, different way.

“Given the particular circumstances of the Single Issue Review, is it appropriate to deal with past under supply in the way proposed, and should any under-supply since the start of the plan period to date be added to the requirement for the rest of the plan period.”

- 5.14. This is, in effect, a two, if not three, part question:
- i) is it appropriate to deal with past under supply in the way proposed; and
 - ii) should any under-supply since the start of the plan period to date be added to the requirement for the rest of the plan period
- 5.15. The approach set out by the Council in paras. 4.4. and 4.5, as noted above, of splitting the plan period into two is not necessarily incorrect; it is the approach taken to 'calculating the requirement' when working 'backwards' that is wrong.
- 5.16. With regard to part (i) of the Inspector's initial question, in terms of looking forward (i.e. at the second part of the plan period 2022 to 2031) and the use of the Standard Method, the Council correctly does not factor in the abysmal record of historic under-delivery; albeit correctly only on the grounds that the PPG says that there is no 'requirement' to do so (it does not prevent Council's from doing so should they wish / consider this to be appropriate).
- 5.17. However, in terms of looking "backwards" at the first part of the plan period 2011 to 2022, it is categorically **not** appropriate to deal with under supply in the way proposed: there is no policy in the NPPF or PPG in this respect, most likely because the Government never considered it likely that an authority would attempt to look backwards and assert that the number of homes delivered equated to the housing need / requirement for that period; such an approach is, simply, both nonsensical and unjustifiable.

Summary

- 5.18. In summary, there is no justification for asserting that the number of homes delivered over the first part of the plan period 2011 to 2022, equates to the 'housing need' or 'housing requirement' for that period

Q.19 Does the Plan as proposed as a minimum, provide for objectively assessed needs for housing for the period 2011 to 2022, and is the proposed approach set out in the Plan consistent with national policy?

- 5.19. No, the 'Plan as proposed (i.e. post SIR amendment) does not provide for the OAN for the period 2011 – 2022.
- 5.20. As noted in relation to Question 17, the OAN for the period 2011 to 2022 was 7,250 homes, and the total delivery over this period was 3,637 homes. This is a shortfall of 3,613 homes.
- 5.21. The Standard Method LHN for the period 2022 to 2031 is approximately 5,400 homes (600 dpa), which is provided for in the Plan. The shortfall of 3,613 homes to date would not be provided for in revised Policy GROWTH1.

Q.20 Given that the base date of the Plan has not been changed to that of the standard method calculation, which is proposed to be applied over the remaining part of the plan period, should past under delivery of housing in the plan period to date (measured against the adopted Local Plan) be taken into account in establishing the housing requirement for the remainder of the plan period in the amended Policy GROWTH1 (See PPG Paragraph: 011 Reference ID: 2a-011-20190220)?

5.22. Yes.

5.23. Whilst the under-delivery over the first part of the plan period 2011 to 2022 should not be factored into the calculation of the Standard Method LHN as relating to the second part of the plan period 2022 to 2031, it should be added into the housing requirement for the remainder of the plan period for the reasons we have discussed in response to previous Questions.

5.24. This would result in the revised housing requirement for the second part of the plan period 2022 to 2031 being:

- Under-delivery 2011-22: 3,613 dws
- Housing need 2022-31⁴: 5,398 dws
- **Local Plan requirement 2022-31: 9,011 dws.**

⁴ Plus any uplift to delivery additional affordable housing, although including the under-delivery from 2011-22 would also address this in part.

6. Other Matters

Q.21 Is paragraph 3.5.6 justified in relation to the stated status of the Broad Areas?

- 6.1. We have no further comment to make in this Statement in addition to the representations already submitted by both us and Carter Jonas.

Q.22 Are the changes proposed to paragraph 3.5.7 of the adopted plan justified and consistent with NPPF 74 which includes that strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period?

- 6.2. No. The trajectory should reflect the housing requirement and supply for the entire plan period.
- 6.3. See also our response to other questions.

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