

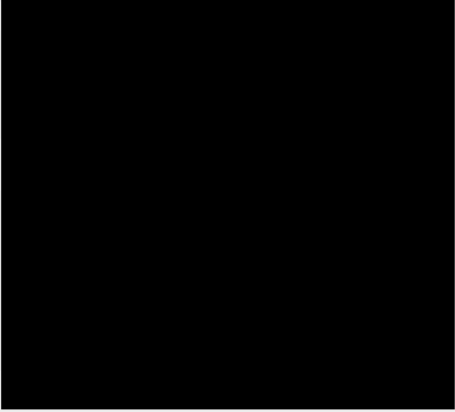
EAST CAMBRIDGESHIRE LOCAL PLAN – SINGLE ISSUE REVIEW

Examination Hearing Statement – Matter 2 – 28 March 2023

Prepared by Strutt & Parker on behalf of TURNSTONE (CAMBRIDGE) LTD

March 2023

Report: East Cambridgeshire Local Plan – Single Issue Review

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<i>Type of Report:</i>	Examination Hearing Statement	
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1. INTRODUCTION

- 1.1 This Hearing Statement has been prepared by Strutt & Parker on behalf of Turnstone Estates in relation to Matter 2 of the Examination Hearings in respect of the Single Issue Review (SIR) of the East Cambridgeshire Adopted Local Plan (2015). It follows consultation responses that were submitted to the first and second rounds of consultations on the SIR in May 2021 and February 2022 respectively, and to the Hearing Statement submitted for the Examination Hearing held on 8 November 2022.
- 1.2 This statement responds to the Issues and Questions identified by the Inspector in his Matters, Issues and Questions issued on 17 February 2023.

2. INSPECTOR'S MATTERS, ISSUES AND QUESTIONS

Matter 2: Provision for housing

- 2.1 **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?

Housing Requirement

- 2.2 **Q.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 2022-2031. Would the resulting housing requirement of 600 dwellings per annum derived from the minimum local housing need be sound?**
- 2.3 We addressed this matter at paragraphs 2.6-2.8 of our previous Hearing Statement. The Council now propose to rebase Policy GROWTH1 to April 2022, to cover the period 2022-2031, which results in a housing requirement (using the standard method) of 600 dwellings per annum or 5,400 dwellings over the nine year period. Whilst we do not raise any representations to the application of the standard method in order to calculate the district's housing requirement for the period 2022-2031, as it conforms with national policy guidance, we continue to have strong reservations regarding the past under-delivery of housing in the district and how that is addressed by the rebased Policy.
- 2.4 Indeed, we consider that the more fundamental issue that arises from the rebasing of the Policy to April 2022 does relate to the past under-delivery of housing (during 2011-2022) totalling 2,688 dwellings. As the Policy is being rebased to now only cover a period of nine years, with its housing requirement calculated using the standard method, it would seem to be the case that a proportion of the past under-delivery (over the previous 11 year period 2011-2022) is being effectively 'lost'. The Inspector addresses this matter at paragraphs 17-21 of his letter dated 14 December 2022, and at paragraph 19 concludes that *"I have not however been provided with a convincing methodology for this to be determined"*.
- 2.5 We do acknowledge that it is difficult to produce a robust calculation of the precise quantum of under-delivery that is being 'lost'. Using a simple pragmatic logic of noting that 2,688 dwellings over a nine year period equates to 299 dwellings per annum (which is almost 50% of the full standard method calculation for 2022-2031) suggests that the issue is clearly not being fully addressed. 299 dwellings per annum figure significantly exceeds the element of the housing requirement generated by the affordability adjustment (+176 dwellings) by a margin of ca.123 dwellings per annum (or ca.1,125 dwellings over the period 2022-2031).
- 2.6 This would suggest that the housing requirement of 600 dwellings per annum over the period 2022-2031 is potentially being under-stated by a factor of ca.20%.

Strategic Policy

- 2.7 **Q.2 It is suggested that Policy GROWTH1, in respect of the delivery of housing, should be amended so that it would cover the period 2022-2031. 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?**
- 2.8 The Council's simplistic solution that Policy GROWTH1 will now only address the period 2022-2031 in terms of establishing a housing requirement solely for that period, is not clear on the fact that the Single Issue Review (SIR) continues to present a 'hybrid' approach towards addressing the delivery of housing in the district over the full plan period of 2011-2031. Albeit that that the Policy itself is now only addressing the later years of the Plan period.
- 2.9 We acknowledge and accept the Inspector's reservations regarding the extension of the plan period to be covered by Policy GROWTH1 such that it covered a minimum 15-year period from adoption (as expressed at paragraphs 6-10 of his letter dated 14 December 2022). However, we would say that this serves to reinforce the need to ensure that the housing requirement set out within that Policy has been tested to demonstrate that it is completely robust and accurate.
- 2.10 As noted above, we continue to have reservations that the past under-delivery of housing in the district is not being fully addressed by the standard method calculation of 600 dwellings per annum. If we are correct on that point, then the amended Policy is not completely robust, and therefore not justified or effective. We consider this matter in more detail in response to Q.3 below.

Delivery shortfall in the adopted plan period to date

- 2.11 **Q.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 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?**
- 2.12 Planning Practice Guidance (PPG) states that, in applying the standard methodology, a 15-year plan horizon should be considered. In not applying the standard methodology for a full 15-year plan period, as in this case, the SIR should be taking past under-delivery of housing into account, which is now 2,688 dwellings since 2011. This point is also reiterated in other parts of the PPG, for example stating that:

“where shortfalls in housing completions have been identified against planned requirements, strategic policy-making authorities may consider what factors might have led to this and whether there are any measures that the authority can take, either alone or jointly with other authorities, which may counter the trend. Where the

standard method for assessing local housing need is used as the starting point in forming the planned requirement for housing ...”

and also that:

“Under-delivery may need to be considered where the plan being prepared is part way through its proposed plan period, and delivery falls below the housing requirement level set out in the emerging relevant strategic policies for housing.” (our emphasis).

- 2.13 This is precisely the situation that is evident in East Cambridgeshire, as the Council has failed to deliver sufficient dwellings to meet its annual housing requirement in every year since the start of the Plan period in 2011.
- 2.14 There are two key points that need to be considered here. Firstly, the standard method for assessing local housing need is the starting point (our emphasis) in forming the planned requirement for housing, and not necessarily the final outcome of that assessment. Secondly, where housing delivery has demonstrably fallen significantly below the planned requirement, we consider that there is a very strong case for assessing whether the standard method is taking full account of past under-delivery.
- 2.15 If our assessment is correct (see paragraph 2.5 above), we consider that the standard method requirement of 600 dwellings per annum for the period 2022-2031 understates the full extent of the past under-delivery of housing in the district over the period 2011-2022. Acknowledging that this is a difficult matter to assess precisely within the context of the affordability adjustment that is applied as part of the methodology for the standard method calculation, our more pragmatic assessment (set out at paragraphs 2.5 and 2.6 above) would indicate that past under-delivery has been understated by a factor of ca.20% within that standard method calculation.
- 2.16 We therefore consider that this matter should be addressed by the Inspector, and our suggested approach would be as a minimum to add a buffer of 20% to the housing requirement for the period 2022-2031 (i.e. from 600 to 720 dwellings per annum) on the basis that such a buffer is necessary to take full account of past under-delivery. However, fundamentally we consider that there is need for a Full Review or commencement of the new Local Plan and that the SIR is clearly unsound, not justified and not in accordance with national policy in its current form.

Main Modifications

- 2.17 **Q.4 The Council has suggested an updated schedule of Main Modifications (EX.LA11). Are the suggested Main Modifications necessary for soundness?**
- 2.18 In short, the Council's proposed updated Main Modifications, in our assessment, do not address the fundamental issues in respect of soundness and the SIR is still unsound even with the incorporation of the proposed Main Modifications.