

# EAST CAMBRIDGESHIRE LOCAL PLAN – SINGLE ISSUE REVIEW EXAMINATION HEARING STATEMENT – MATTER 2 – 8 NOVEMBER 2022

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| Report:         | East Cambridgeshire Local Plan – Single Issue Review |
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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.
- 1.2 This statement responds to the Issues and Questions identified by the Inspector in his Matters, Issues and Questions issued on 23 August 2022.

### 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?

The Plan period

- 2.2 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?
- 2.3 Paragraph 22 of the National Planning Policy Framework makes it clear that strategic policies should look ahead over a minimum 15-year period from adoption, in order to anticipate and respond to long term requirements and opportunities, such as those arising from major improvements in infrastructure. In our assessment, the Plan period should be extended to a minimum of 15 years (i.e. to 2038) to ensure that it is consistent with national policy. Clearly, if the SIR is not adopted until 2023, the Plan period for this amended strategic policy will only be some 8 years. One of the key consequences arising from the Council's approach is that no additional site allocations are being made at this time, in order to address the requirements of a 15-year Plan period.
- 2.4 Therefore, on this specific issue, we consider that the SIR is fundamentally flawed and has not been positively prepared in this regard. In many respects, it is the failure of the Council to prepare the SIR for a period that would extend beyond 2031 and therefore to provide policy coverage for a minimum of 15 years that leads to the other flaws and shortcomings which are highlighted in our comments set out elsewhere in this Hearing Statement.

#### The housing requirement – overall approach

- 2.5 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?
- 2.6 Again, we consider that the Council's proposed approach set out in the SIR to address the housing requirement for the period up to 2031 is flawed. Whilst the Council has stated that the new housing requirement will be established in line with national policy, the SIR

- is in fact proposing a 'hybrid' approach which is not fully consistent with that policy guidance.
- 2.7 Sections 3 and 4 of the submission SIR document describe the Council's approach which, in summary, proposes to split the calculations into two halves, first for the period 2011-2022, and second for the period 2022-2031. The housing requirement for 2011-22 will be established as being the housing delivered over that period, which the Council considers to be consistent with the national method, as "Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure" and that "The affordability adjustment is applied to take account of past under-delivery. The standard method identifies the minimum uplift that will be required and therefore it is not a requirement to specifically address under-delivery separately." The 2022-31 housing requirement figure is proposed as matching the latest local housing need figure which results in a housing requirement of 5,398 homes (i.e. 599.78 x 9 years) over that period.
- 2.8 However, 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, the SIR should be taking past under-delivery of housing into account, which is now in excess of 2,500 units since 2011. Where an alternative approach to the standard method is used, as in this case where it is being applied for a shortened timescale of 9 years, past under-delivery should be taken into account. 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, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address underdelivery separately when establishing the minimum annual local housing need figure. 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). This is precisely the situation now evident in East Cambridgeshire, as the Council has failed to deliver sufficient dwellings to meet its annual housing requirement as set out in Policy GROWTH 1 in every year since the start of the Plan period in 2011. By seeking to backdate, or retrofit, the housing target for previous years to the number of dwellings completed in those years not only removes an obligation to deliver homes that have previously been planned for but also potentially affects the results of the Housing Delivery Test.
- 2.9 In respect of the distribution of growth it is considered that there is a need for a review of the Council's approach. Housing growth within the District in recent years has been focused mainly to the urban extensions to the north of the district. The southern part of the District has seen very little growth, which is surprising given that there are a number

of settlements to the south of the district with excellent public transport connections to Cambridge and key employment areas which are considered to be sustainable locations for further housing growth.

The housing requirement 2022 – 2031. Calculation of local housing need using the standard method

- 2.10 **Q.13** Why has the plan period not been rebased to the base date used in the standard method calculation? Is this justified?
- 2.11 This is a fundamental shortcoming of the Council's approach towards its review of Policy GROWTH 1, and in our assessment is not justified, either by the factors that are now evident in the district (as set out above) or by a correct interpretation of national policy and its accompanying guidance. In short, the Council's approach is not justified.
- 2.12 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)?
- 2.13 The SIR is not accompanied by any substantive evidence to demonstrate that it would be appropriate to plan for a higher housing figure than indicated by the standard method. However, the evidence for such a need arises implicitly from the Council's approach described above, and which ignores the need to take account of past under-delivery of new homes since 2011 in the calculation of Local Housing Need for the period 2022-2031.
- 2.14 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)?
- 2.15 Whilst there is no substantive up-to-date evidence supporting the SIR that demonstrates that there should be an adjustment to the minimum housing requirement to help deliver affordable housing, a high level of affordable housing need within the district is identified within the Sustainability Appraisal accompanying the SIR. In our view, this is a further factor pointing to the need for a full review of the Local Plan, over a 15 year period (and for a 30 year period in relation to large-scale development as required by NPPF Policy 22) which would enable the Council to increase housing land supply over that longer period, better reflect existing and proposed infrastructure provision, and in turn assist with increasing the delivery of affordable housing.
- 2.16 **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?
- 2.17 The proposed amended explanatory text set out in paragraph 3.2.5 of the Plan has several shortcomings. Apart from our over-riding view that the text, as drafted, is describing a

position that is fundamentally flawed and which, if the Inspector should agree with that view, would therefore require complete revision, the text fails to define with sufficient clarity the Council's approach for calculating local housing need for the period 2022-2031. Unsurprisingly, it does not reflect past under-delivery of housing during 2011-2021 and contains no explanations or justifications as to why the Council is failing to take that factor into account in its calculation of housing need for 2022-2031. Furthermore, the text fails to now include many of the relevant points that were made in the current adopted Local Plan, most notable of which was the delivery of appropriate levels of affordable housing to meet local needs over the Plan period. In summary, we consider that this text requires substantial further revision.

The housing requirement 2011 – 2022 and dealing with past undersupply

- 2.18 Q.17 What is the Objectively Assessed Need (OAN) for housing for the first part of the plan period 2011 to 2022?
- 2.19 **Q.18** What is the justification for basing the first part of the dwelling requirement upon completions to date in the plan period?
- 2.20 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?
- 2.21 In our view, these three questions are inter-related as we consider that the Council's approach (set out at paragraph 4.6 of the SIR) of now asserting that the housing requirement for 2011-2022 is "...the housing delivered between 2011-2022" actually fails to define what the Objectively Assessed Need (OAN) for housing is during that period, or indeed whether such need is being met in full by the proposed amendments to Policy GROWTH1. It is our view that, by the nature of the Council's 'hybrid' approach of only applying the standard method to calculate its housing requirement for the years 2022-2031, the OAN for the earlier period 2011-2022, has been 'artificially' reduced to now constitute the housing that was delivered during that period.
- 2.22 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)?
- 2.23 Our comments above with regard to Question 12 address this point, but in simple terms the Council's application of the standard method for the period 2022-2031 should be taking into account the very significant under-delivery of housing that has occurred in past years. Indeed, more importantly, the SIR, in terms of applying the standard method,

should be addressing a 15-year plan horizon rather than the 8 remaining years of the Plan period.

#### 3. CONCLUSION

3.1 It is relevant to note that paragraph 22 of the NPPF was updated in 2021 and states the following (with the amendments in bold):

'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. Where larger scale developments such as new settlements or significant extensions to existing villages and towns form part of the strategy for the area, policies should be set within a vision that looks further ahead (at least 30 years), to take into account the likely timescale for delivery.'

- 3.2 Policy GROWTH1 is the key strategic policy within the adopted Local Plan 2015. As set out within paragraph 3.3 of the submission SIR document, the only rationale given for not undertaking a review of the plan period is that 'to do so would have wider implications beyond the intention of the SIR.' It is precisely those wider implications that already justify a full review of the adopted Local Plan, rather than this piecemeal and flawed approach of a Single Issue Review of just parts of Policy GROWTH1.
- 3.3 This approach is not considered to be justified, effective or in accordance with national policy. It is also not the most appropriate strategy when considered against the alternatives. It is clear that in accordance with national policy, the Local Plan Review should consider a plan period of a minimum of 15 years (and 30 years for larger scale developments) in order to be considered Sound in planning terms.
- 3.4 The decision to not allocate any new sites as part of the SIR is not supported. As set out in sections 2, 3, and 5 by not allocating additional housing, the SIR fails to be in accordance with paragraph 35 of the NPPF. It is considered a far more positive approach should be taken to housing provision, and this should be reflected in site allocations in sustainable locations like Dullingham.
- 3.5 It also appears that the Council have incorrectly interpreted policy 61 of the NPPF. Paragraph 4.1 of the consultation document states the following:

'Unlike in 2015 (when the current local plan was adopted) Government policy now prescribes how a local area determines it housing requirement (or 'local housing need') under what is known as 'the standard method'. Whilst it is possible for a local area to derive a different housing requirement using a different local based method, national policy prescribes that such a local based method is only appropriate where 'exceptional circumstances justify an alternative approach' (NPPF para 61). The Council does not consider there to be any such 'exceptional circumstances' which would apply in East Cambridgeshire'

- 3.6 This paragraph incorrectly interpreters paragraph 61 of the NPPF. Paragraph 61 states that the standard method in the national guidance should be used to determine the minimum number of homes needed over the plan period. The exceptional circumstances test set out within paragraph 61 of the NPPF, is only applicable if a local planning authority is not proposing to meet the minimum number of homes as required under the standard method of national guidance. There is nothing within national policy that restricts a Council from proposing a higher housing delivery requirement than as required by the standard method. On the contrary, the provision for a higher housing figure would fully accord with paragraph 11 of the NPPF which states that local authorities should apply a presumption in favour of sustainable development and positively seek opportunities to meet the development needs of their area.
- 3.7 Paragraph 61 of the NPPF, needs to be read in conjunction with paragraphs 60 and 66 of the NPPF, which states that to support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward over the plan period. Paragraph 66 of the NPPF states that strategic policy making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified need (and any need that cannot be met within neighbouring areas) can be met over the plan period.
- 3.8 Furthermore, paragraph 62 of the NPPF requires the housing needs to be considered in the context of the size, type and tenure of housing needed for different groups in the community which includes but is not limited to:
  - "... Those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes."
- 3.9 The SIR proposals take no account of the housing needs for different groups in the community which is clearly inconsistent with paragraph 62 of the NPPF. This review should be undertaken to justify if the SIR is the most appropriate approach when considered against the alternatives.
- 3.10 At the current time, it is not considered that East Cambridgeshire District Council have undertaken sufficient evidence based work to demonstrate that a SIR is the most appropriate strategy when considered against the alternatives. It is particularly important that the level of both housing and employment proposed over the plan period is informed by a robust review of different growth scenarios that account for the wider economic and social drivers within the Cambridgeshire sub-region.
- 3.11 As set out at paragraph 2.9 above the need for a more comprehensive review, is considered particularly important given that housing growth within the District in recent years has been focused mainly to the urban extensions to the north of Ely and within the settlements within the northern part of the District, such as Littleport and Witchford. The southern part of the District has seen very little growth, other than Kennett Garden Village, which to date has outline planning permission only. It is particularly important that East

Cambridgeshire consider the housing and employment needs in the southern part of the District in context with employment and housing demand arising from Greater Cambridge.