Deloitte.



Representations to the East Cambridgeshire Regulation 19 Consultation

Prepared on behalf of the Church Commissioners for England June 2022

Contents

| 1. | Introduction | 2 |
|----|-------------------------|---|
| 2. | Background and Context | 3 |
| 3. | Soundness of Proposal 4 | 6 |
| 4. | Summary | 8 |

1. Introduction

- 1.1. Deloitte LLP ('Deloitte') is instructed by the Church Commissioners for England (hereafter 'the Commissioners') to submit representations to the East Cambrdigeshire Single Issue Review (SIR) Regulation 19 Local Plan, which is subject to a public consultation until 13 June 2022.
- 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.
- 1.4. The Commissioners have significant landholdings in and around Ely, including land that is currently allocated under PolicyELY 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 this document.
- 1.5. This Regulation 19 consultation follows the Regulation 18 consultation held between December 2021 and February 2022, on which the Commissioners also provided representation.

2. Background and Context

2.1. The single issue identified for review within this consultation is Policy GROWTH1. This was identified in the Council's formal review in April 2020, which concluded that 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 Of those policies, Policy GROWTH1 needs to be revised, because it has an out of date housing requirement. Other strategic housing policies may also be updated during the course of updating GROWTH1, should that be necessary.

The rest of the Local Plan is considered to not, at the present time, be in need of updating, therefore a full update of the Local Plan is not considered necessary.

However, whilst only one policy has been identified in need of updating, this does not prevent the Council from commencing preparation of a new Local Plan, in whole or part, on matters as it sees fit."

2.2. The Council then considered three subsequent options to address the above conclusions. The options were as follows:

Option 1: Do as the Review in April 2020 concluded, and limit any update of the Local Plan to the matters identified in the Review, namely GROWTH1 and its housing requirement, and possibly, consequentially, other policies if strictly necessary; or

Option 2: Go beyond what the Review in April 2020 concluded, and do a more comprehensive or full new Local Plan; or

Option 3: Do nothing at present and await further progression of Government's Planning White Paper to see whether to progress Option 1, Option 2 or, instead, simply wait for the new planning system to commence (under the provisions of what the Planning White Paper proposes) and start a new Local Plan on that basis.

2.3. Option 1 was selected by the Council as the way forward, resulting in the proposed amendments which are set out below:

Policy GROWTH 1: Levels of housing, employment and retail growth

In the period 2011 to 2031, the District Council will:

- Make provision for the delivery of 11,500 xxxx* dwellings in East Cambridgeshire, comprised of a dwelling requirement of:
 - [3,018 + 2021/22 housing completions] dwellings, for the eleven year period 2011-2022
 - 5,398 dwellings for the nine year period 2022-2031
- Maximise opportunities for jobs growth in the district, with the aim of achieving a minimum of 9,200 additional jobs in East Cambridgeshire. Part of this strategy will involve making provision for a deliverable supply of at least 179 ha of employment land for B1/B2/B8 uses, and providing for home working.

In the period 2012 to 2031, the District Council will:

 Make provision for at least an additional 3,000m 2 (net) of convenience and 10,000m 2 (net) of comparison retail floorspace in the district.

* this figure will be included on adoption of the update of the Local Plan, and will be the sum of 3,018 + 2021/22 housing completions + 5,398. As an approximation, the figure will likely be around or just under 9,000

2.4. In order to bring the 2015 Local Plan up to date, the Council has carried forward six proposals that were set out as part of the earlier Regulation 18 Issues and options consultation:

Proposal 1 – Scope of Changes

2.5. The Council intends to focus the changes arising from the SIR to Section 3.2 (Level of Growth) and 3.5 (Delivery of Growth) of the 2015 Plan.

Proposal 2 – the Plan Period

2.6. The Council does not intend to extend the Plan Period beyond 2031.

Proposal 3 – Site Allocations

2.7. The Council does not propose to allocate any futher sites.

Proposal 4 – the Housing Requirement

2.8. The Council proposes to establish the new housing requirement in line with the National Standard Method for calculating housing need.

Proposal 5 - Broad Locations

2.9. The Council reviewed guidance in respect of the 'Broad Areas for housing' (Section 3.5.5 to 3.5.7 of the 2015 Plan) and determined it unnecessary to amend wording.

Proposal 6 – Consequential Changes

2.10. The Council intends to amend minor consequential changes to the 2015 Plan which come out of the review.

National Planning Policy

- 2.11. These representations provide a response to the proposed policy amendments in the Regulation 19 East Cambridgeshire SIR Local Plan.
- 2.12. These representations are framed against the tests of soundness identified at Paragraph 35 of the National Planning Policy Framework (NPPF). These tests are as follows:
 - Positively prepared providing a strategy which, as a minimum, seeks to meet the area's
 objectively assessed needs; and is informed by agreements with other authorities, so that
 unmet need from neighbouring areas is accommodated where it is practical to do so and is
 consistent with achieving sustainable development;
 - Justified an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
 - Effective deliverable over the plan period, and based on effective joint working on crossboundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
 - Consistent with national policy enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.
- 2.13. It should be emphasised that the Commissioners are generally supportive of the Regulation 19 draft SIR Local Plan, as the document will provide a degree of uncertainty for future investment and growth within East Cambridgeshire.
- 2.14. However, the Commissioners consider that the Local Plan, as drafted, is not sound and a number of amendments are needed to ensure it meets the requirements of Paragraph 35 of the NPPF. The Commissioners would also like to raise a number of points which we consider require clarification or further consideration within the Regulation 19 Local Plan.

3. Soundness of Proposal 4

3.1. The Commissioners welcome the decision to undertake a review of the Local Plan in light of the change from the 2015 version of the NPPF approach of establishing an objectively assessed housing need to the National Standard Method adopted in 2018. However, as we set out in our representations to Regulation 18, taking into account the provision of the NPPF (July 2021), we remain concerned that the council have not fully considered wider economic considerations that would warrant the housing requirement to be set above the minimum starting point established through the standard method.

Housing Need and Housing Requirement

3.2. The Standard Method does not determine the housing requirement of an area, instead it should be used as a starting point. The Planning Practice Guidance (PPG) (June 2021), Paragraph: 010 Reference ID: 2a-010-20201216, states:

"The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates."

"Circumstances where this may be appropriate include, but are not limited to situations where increases in housing need are likely to exceed past trends because of:

- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
- strategic infrastructure improvements that are likely to drive an increase in the homes needed locally: or
- an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground;"
- 3.3. The 2015 Local Plan states in para 2.3.1. that key issues for East Cambridgeshire are "related to the challenges of growth and effects of population increase.... Due to its location within a growth area".
- 3.4. Additionally, the Government's "Planning for Sustainable Growth" policy paper, published in February 2021, describes how districts covered by the Oxford-Cambridge Spatial Framework area have experienced considerable and consistent population growth (up 17% since 2000¹) second only to London in the UK.
- 3.5. Whilst the Commissionners appreciate the 2014-Household Projections estimate used to calculate the local housing need figure will take into account some of the growth outlined in the "Planning for Sustainable Growth" paper, there is a clear upward trajectory since then which indicates a significantly growing population which is likely to be sustained into the future.
- 3.6. This concern is exacerbated by the acknowledgement from ONS that Household Projections are only useful "if recent trends continue" and that they do not take into account policy, development aims, or extenuating circumstances. We are concerned therefore that the standard local housing need

¹ Planning for sustainable growth in the Oxford-Cambridge Arc: an introduction to the spatial framework, February 2021

² Household Projections, 2014-based: Methodological Report, Departmenet for Communities and Local Government, July 2016

figure will not be an appropriate housing requirement for the region as investment and growth continues.

- 3.7. Considering the historical and anticipated growth in the region, the Commissioners disagree with the Council's decision that "no adjustment was necessary in translating the identified housing need into the housing requirement figure3" as this is inconsistent with the objectives of the Oxford-Cambridge Arc, with the Government's ambition to "increase housing supply4", and with the acknowledgement in the 2015 Local Plan that the district is in a growth area.
- 3.8. To align with PPG ID 2A-010, the Council should reconsider its Housing Requirement figure in this context.

Strategic Policies

- 3.9. Paragraph 20 of the NPPF sets out what is considered a strategic policy, these being policies that set out an overall strategy for the pattern, scale and design quality for:
 - Housing (including affordable housing), employment, retail, leisure and other commercial development;
 - Infrastructure for transport, telecommunications, security, waste management, water supply, wastewater, flood risk and management, and the provisions of minerals and energy;
 - Community facilities (such as health, education, and cultural infrastructure); and
 - Conservation and enhancement of the natural, built, and historic environment, including landscapes and green infrastructure.
- 3.10. Additionally, paragraph 22 states:

"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."

- 3.11. The revised Policy GROWTH1 must, on the basis of paragraph 20 of the NPPF, be considered a strategic policy. It should therefore at least "look ahead" over 15 years from adoption. Given that it is anticipated that the Plan will be adopted in October 2023, its time horizon should be extended to 2038 rather than the proposed 2031. This would ensure the Council can plan more effectively to respond to longer term opportunities, such as those linked to the Ox-Cam Arc and would necessitate further consideration of the housing requirement.
- 3.12. It is the Commissioners' view that Policy GROWTH1 is not currently "sound" as it does not comply with paragraph 22 of the NPPF. The Commissioners' invite the Council to reconsider the timeframes associated with Policy GROWTH1 and the subsequent implications of an amended Plan period.

³ East Cambridgeshire Local Plan – Single Issue Review – Proposed Submission Stage (Reg 19) consultation

⁴ Tackling the under-supply of housing in England, February 2022

4. Summary

- 4.1. These representations have been prepared by Deloitte LLP and are submitted on behalf of the Church Commissioners for England. They provide a response to the proposed amendments to Policy GROWTH1, relating to the allocation of land for residential development, as set out within the Regulation 19 draft Local Plan, which is subject to a public consultation until 13 June 2022.
- 4.2. The representations are framed against the tests of soundness identified in Paragraph 35 of the NPPF, which state that in order to be sound, Local Plans must be positively prepared, justified, effective and consistent with national policy.
- 4.3. It is the Commissioners' view that the revised houing need figure should be set above the standard method starting point, reflecting the recognised population trends and economic growth potential of the district. Furthermore, the amendments to Policy GROWTH1 should look ahead to 2038, in line with paragraph 20 of the NPPF.

Deloitte.

This document is confidential and it is not to be copied or made available to any other party. Deloitte LLP does not accept any liability for use of or reliance on the contents of this document by any person save by the intended recipient(s) to the extent agreed in a Deloitte LLP engagement contract.

If this document contains details of an arrangement that could result in a tax or National Insurance saving, no such conditions of confidentiality apply to the details of that arrangement (for example, for the purpose of discussion with tax authorities).

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London, EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global