

24 May 2023

Richard Kay
Strategic Planning Manager
East Cambridgeshire District Council

Dear Mr Kay

Examination of the East Cambridgeshire Local Plan – Single Issue Review

1. I am writing following the hearing held on Tuesday 28 March 2023 to set out my further advice in respect of the examination of the East Cambridgeshire Local Plan – Single Issue Review (the Plan). I am issuing this letter today following the end of the period of sensitivity for the local elections. I should emphasise that the examination is not yet complete and therefore, these comments are without prejudice to my final conclusions on the Plan which will be given in my report in due course.
2. The purpose of the further hearing was to discuss the Council’s suggested amendments to the submitted Plan. In summary, those are that the housing requirement would be based on the local housing need which has been assessed using the standard method as set out in the national planning practice guidance (PPG), and to cover the period 2022 to 2031.

Local Housing Need

3. Firstly, I can reaffirm that the minimum local housing need as informed by a local housing need assessment (LHN), conducted using the standard method as set out in national policy and guidance, for the period 2022 to 2031 is 600 dwellings per annum. I see no reason in principle as to why that figure should not be translated into an annual housing requirement in that it would provide for objectively assessed needs for housing consistent with paragraphs 11 and 61 of the National Planning Policy Framework (NPPF).

The plan period and consistency with NPPF paragraph 22

4. The submitted Plan does not seek to change the overall plan period of 2011 to 2031, but to change the dwelling requirement and when it would apply. This is because of its purpose to address the outdated housing requirement following the Council’s review of its adopted local plan. The amended Policy GROWTH1 (either in the submitted Plan or as per the Council’s suggested amendments) would not look ahead over a minimum 15-year period from adoption, as it would

apply to 2031 (around 8 years from adoption). This is a consequence of the outcome of the Council's review of its development plan. In this particular regard, the Plan would be inconsistent with national policy as per paragraph 22 of the NPPF. I take into account however that the Plan is seeking to update, in part, just one of the policies of the adopted local plan, with the others having been found to be up to date by the Council when it undertook its review.

5. I do not consider that it is open to me in this examination to recommend main modifications which would lengthen the plan period beyond 2031. To do so would go beyond the scope of the Plan, which is concerned primarily with the housing requirement. Even if it were to be the case that I could make such recommendations, a broader evidence base would be required. Such additional evidence could, amongst other things include an economic needs assessment to inform the calculation of the LHN over the longer period. The preparation of additional evidence would protract the examination.

Shortfall in the delivery of housing in the plan period to date

6. As I have noted before, for the plan period of the adopted local plan to 2022, the Council identifies that 3,637 dwellings have been provided, leaving a shortfall in delivery of 2,688 dwellings against the adopted requirement. This is a significant amount, equivalent to over 4 years worth of housing land supply against the requirements of the adopted local plan.
7. The application of the standard method to calculate LHN includes an affordability adjustment which is applied to take account of past under-delivery. The PPG explains that the standard method identifies the minimum uplift that will be required and therefore it is not a requirement to specifically address under-delivery separately. However, the PPG is also clear that the (standard) method provides authorities with an annual number, based on a 10 year base line, which can be applied to the whole plan period. The assumption in national policy (NPPF paragraph 22) is that strategic policies look ahead over a minimum 15 year period from adoption, although authorities are required to keep their policies under review.
8. The PPG (Paragraph: 031 Reference ID: 68-031-20190722) sets out 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'. In respect of the Council's suggested amendments, past under-delivery would be addressed by the application of the standard method for assessing LHN being applied to a rebased period for the housing requirement. When read as a whole, the NPPF requires both that LHN is calculated using the standard method, and that strategic policies should look ahead 15 years from adoption. As I have already stated, the Plan cannot readily be amended so that Policy GROWTH1 would look ahead over a minimum of 15 years from

adoption and therefore, I cannot make recommendations for main modifications which would fully resolve that conflict with national policy.

9. That said, the rebasing of the dwelling requirement to 2022, based on LHN, would address shortfalls in past delivery up to 2022, and although the rebased housing requirement would not look ahead beyond 2031, the Council are required to review the development plan within 5 years of adoption in any event. I note that the Council indicate that there is a housing land supply committed of 7,371 dwellings to 2031 as of 1 April 2022, equal to around 12 years of the suggested dwelling requirement. Although not a matter for me to consider and untested in this examination, this indicates that there is likely to be a substantial forward housing land supply.

What now for the examination?

10. In her letter to PINS of 6 March 2023, the Chief Planner at the Department for Levelling Up, Housing and Communities reiterated that the Department still expects Inspectors to deal with examinations pragmatically, continuing to focus on addressing shortcomings in plans to ensure plans can be adopted and communities can benefit from up-to-date local plans.
11. The purpose of the Plan is to bring the housing requirement figure up to date, as that in the adopted local plan was based on (a) an outdated method and (b) relied on the redistribution of homes to Peterborough, which is no longer happening. The Council's suggested changes to the Plan would achieve that. In addition, the Council when it reviewed its local plan found GROWTH1 as being the only local plan policy which was out of date.
12. However, despite the Council considering the Plan to be sound on submission, it is clear through the examination to date that it wasn't. I set out previously how I consider that the Plan could be amended to make it sound if the period over which the dwelling requirement would apply, and the base date for calculating housing need were not changed.
13. In considering the Council's suggested changes, in overall terms, the housing requirement would be derived from the minimum LHN, calculated using the standard method, consistent with the NPPF, which would address past under-delivery to 2022. The suggested changes would also address the outdatedness of Policy GROWTH1 identified by the Council and would bring the development plan up to date. However, the Council's revised approach to the housing requirement, like that in the submitted Plan, is inconsistent with one element of national policy as expressed in NPPF paragraph 22 as the amended Policy GROWTH1 would not look ahead a minimum of 15 years from adoption. Given the scope of the Plan, that is however not possible to resolve by way of main modifications.

14. Overall, and on a pragmatic basis, it is my judgement that the Plan would not be fundamentally unsound in not altering the period the housing requirement would apply to beyond 2031, and thereby not looking ahead 15 years on adoption. Indeed, it is not possible for this Plan to do that. I consider that the Council's suggested amendments offers a route to soundness for the Plan, which would provide for an up-to-date local plan, despite the inconsistency with NPPF paragraph 22.

Conclusion

15. I consider that the Council's suggested changes present a route to soundness for the Plan. I therefore invite the Council to prepare a draft main modifications schedule for me to review to incorporate the changes set out in Appendix A of the Council's Topic Paper (EX.LA11). The change to Policy GROWTH1 should however be amended so that it is clear that the dwelling requirement applies 2022 to 2031, to distinguish it from jobs growth and retail provision which would have unchanged periods.
16. The Council should also confirm the implications, if any for the Sustainability Appraisal and Habitats Regulations Assessments which may arise from the proposed main modifications once agreed.
17. On receipt of this letter, the Council should make it available to all interested parties by adding it to the examination website. However, I am not seeking, nor envisage accepting, any responses to this letter from any other parties to the examination. I look forward to your reply.

Yours sincerely

Philip Lewis

INSPECTOR