

Examination of Epping Forest Local Plan

Matter 3: The Quantitative Requirements for Development

on behalf of St Congar Provincial

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1. This statement have been prepared by Nexus Planning on behalf of St Congar Provincial.
 2. St Congar Provincial control an omission site known as land at Old Farm, Chigwell (the site), which has been promoted for housing. Our response to relevant matters, issues and questions are set out below.
- 2. Does the SHMA July 2017 identify the full OAN for housing for the HMA and for Epping Forest specifically?**
- 2a. Was the standard methodology recommended by the Planning Practice Guidance (PPG) followed? Are any departures, particularly in relation to how migration and market signals were taken into account, clearly explained and justified?**
- 2.1 In accordance with National Planning Policy Framework (NPPF) 2018 (paragraph 214) the standard methodology was not followed in preparing the Epping Local Plan (LP). For the LP to be sound the housing requirement needs to be sound against the policies within the NPPF 2012 and the Planning Practice Guidance (PPG) which supported the NPPF 2012 methodology for assessing objectively assessed housing needs for market and affordable housing (OAN).
 - 2.2 However, as set out in detail within our representations to Policy SP2, the departures applied within the SHMA to the OAN methodology set out within the PPG accompanying the NPPF 2012 are not justified nor consistent with national policy. Our principal concerns are summarised below:
 - (i) Unattributable Population Change
 - 2.3 The SHMA applies adjustments to the migration trends underpinning the 2014-based sub-national population projections (2014-based SNPP). The justification for this adjustment is appears to be based on the fact that 2014-based SNPP: (a) Does not take into account the corrections that Office for National Statistics (ONS) make to reconcile the difference between the inter-censal mid-year estimates (MYE) component of change data with the Census estimates (EB407, paragraph 2.6).
 - 2.4 However, as set out within our representations, the ONS, the Government's statistical agency responsible to preparing the SNPP, have unequivocally stated that UPC adjustments to the 2014-based SNPP are not robust or justified. The reason being that it is simply not possible to credibly attribute the difference (by year or quantum) to:

- (a) Errors in the 2001 Census and 2001 MYE (was the true population in 2001 actually higher or lower than estimated in 2001 by the ONS?); [The ONS 2001 Census 95% confidence interval is +/-1.7%]
- (b) Errors in the 2011 Census and 2011 MYE (was the true population in 2011 actually higher or lower than estimated in 2011 by the ONS?); [The ONS 2011 Census 95% confidence interval is +/-1%]
- (c) Errors in estimated internal migration flows (were the estimated annual internal migration flows (in and out) between 2001 and 2011 too high or too low?); and / or
- (d) Errors in international migration flows (were the estimated annual international migration flows (in and out) between 2001 and 2011 too high or too low?)

2.5 Unlike the other authorities within the housing market area, the UPC adjustments applied to Epping Forest within the SHMA have a significant influence on the purported housing figure given that 82.5% of the HMA wide UPC correction applied was attributed to Epping Forest.

2.6 As referred above, UPC is complex and is not a matter that can simply be attributed, as has been applied within the SHMA, in full to migration. No evidence has been presented within the SHMA that robustly confirms that none of the UPC for Epping Forest relates to Census 2001 and / or 2011 Census error; nor has any evidence been presented over which migration flow(s) the UPC relates. Consequentially, the UPC adjustment made within the SHMA is neither justified nor credible.

2.7 Based on the official (and unadjusted) 2014-based SNPP, the PPG (ID: 2a-015) starting point) with the same vacancy and second home rates applied within the SHMA, is set out within Table 1 below:

Table 1: Official and PPG compliant demographic starting point housing figure			
Area	Population Change 2011 to 2033 (per annum)	Household Change 2011 to 2033 (per annum)	Dwelling Change 2011 to 2033 (per annum)
Epping Forest	30,120 (1,369)	14,374 (653)	14,834 (674)

(ii) Migration Trend Period

2.8 By reference to SHMA (EB407, paragraph 30 and EB406, paragraph 3.35) it is understood that the migration trend period applied is the inter-censal period 2001-2011. As set out within our

representations, we do not fundamentally disagree with the application of a 10-year migration trend period given the volatility with annual migration flows. However, of concern is that the migration trend data is now extremely dated i.e. the last year in trend period is now seven years old.

2.9 In accordance with the NPPF (paragraph 158) and the PPG pursuant to the NPPF 2012 (ID: 2a-017), assessments of housing need should take account of the most recent demographic evidence including the latest MYEs. In view of this the trend based period applied within the SHMA is demonstrably in conflict with the national policy and guidance.

(iii) Market Signals

2.10 As set out within our representations overall, there is no doubt that a market signals adjustment is necessary within Epping Forest. However, we are fundamentally concerned that in light of worsening market signals indicators that the upward adjustment applied to the demographic starting point housing figure has been reduced from 20% (which we consider to be the absolute minimum) within the SHMA 2015 (EB405) and SHMA 2016 (EB406) to only 13.6% within the SHMA 2017 (EB407).

2.11 Although, as referred to above, the standard methodology approach does not apply to this LP, it is noted that a 40% (the maximum) market signals adjustment would be applied to Epping Forest given the severity of housing affordability within the district. Within the context of Government policy that will apply to the next Epping Forest LP, where a 40% uplift is considered wholly 'reasonable', this alone demonstrates that SHMA's previous conclusion (EB405 and EB406) that at least a 20% uplift cannot now rationally be concluded, as is the case within the SHMA 2017 (EB407), as being unreasonably high.

2.12 In the absence of clear guidance within the PPG pursuant to the NPPF 2012 (ID: 2a-020) on what scale or uplift should be applied to the demographic starting point housing figure, the standard methodology does not usefully confirm the Government's longstanding intention of the market signals adjustment. Where significant affordability is an issue, as is demonstrably the case in Epping Forest, the scale of the 'larger the additional supply response', is intended to be very meaningfully greater than demographic-trends. The premise of the market signals adjustment is basic supply and demand economics in order to help correct market failure. The SHMA (EB407) is incorrect (paragraph 1.22) that a statistical balance between net migration and household size are relevant factors to be taken into consideration.

2.13 Given the above and as set out within our representations, we are firmly of the view that the evidence

within the SHMA undoubtedly supports the need for at least a 20% uplift. Based on the official 2014-based projections (Table 1 above), the resulting housing figure for Epping Forest would be 17,801 dwellings between 2011 to 2033 (809 dwellings per annum).

3. What is the relevance of the OAN figure of 13,278 for Epping Forest DC referred to in paragraph 6.8 of the Sustainability Appraisal (EB204)?

3.1 By reference to SHMA 2016 (EB406), Figure 8, it is understood that the OAN figure of 13,278 for Epping Forest is the SHMA's housing need based on household projections taking account of local circumstances (11,065 dwellings) (which as set out within our response to Question 2a we do not accept as being sound), with a 20% market signals uplift applied.

3.2 If the Inspector does not accept our concerns regarding the lack of robust evidence and justification for applying a downward (UPC) migration adjustment to the official 2014-based demographic starting point housing figure, but agrees that at least a 20% market signals uplift is necessary, then the OAN figure of 13,278 would consequentially be the OAN figure for Epping Forest.

4. Is it justified for the HMA as a whole, and for Epping Forest DC specifically, to plan for less than the OAN as established by the SHMA 2017, at 51,100 and 11,400 homes respectively?

4a. Has the alternative of delivering the OAN been tested through Sustainability Appraisal? If not, is the SA process deficient?

4.1 Yes, the SA is deficient.

4.2 In the context of the NPPF (paragraph 47), which requires local plans to meet OAN in full, as far as is consistent with the NPPF policies taken as a whole, an entirely reasonable alternative option that should have been subject to SA process is meeting the OAN in full. However, the only level of housing growth subjected to SA appears to be 11,400 dwellings – a level below that concluded as OAN for Epping Forest within the SHMA (EB407). Furthermore, the SA process has also failed to subject the planned housing delivery figure of 13,152 to SA process.

4.3 As set out within our representations and response to Question 2a, we do not accept that the OAN of 12,573 represents a sound OAN for Epping Forest over the period covered by the LP. As a minimum, we consider the OAN for Epping Forest to be at least 17,801 dwellings (809 dwellings per annum) must also be subjected to SA process.

4b. Will the Plan in fact provide more housing than the OAN of 12,573 as found by the SHMA 2017 (13,152) indicated in Appendix 5)? If so, is it justified to set the requirement below this?

4.4 In accordance with the NPPF (paragraph 47) which requires local plans to meet OAN in full, as far as is consistent with the NPPF policies taken as a whole, the housing requirement set out within Policy SP2, and used as the basis for monitoring, must be the OAN in full figure.

As set out within our representations and response to Question 2a, we do not accept that the OAN of 12,573 represents a sound OAN for Epping Forest over the period covered by the LP. As a minimum we consider the Policy SP2 housing requirement figure must be at least 17,801 dwellings (809 dwellings per annum). On that basis the LP is not providing more housing than OAN and additional sites, such as the land controlled by St Congar (Land at Old Farm, Chigwell) should be released from the Green Belt and allocated for residential-led development.

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