

Carter Jonas

# **MATTER 6 HEARING STATEMENT**

**Epping Forest District Council Local Plan Examination**

**SUBMITTED ON BEHALF OF LONDON SQUARE DEVELOPMENTS**

**February 2019**

**Contents**

1 Introduction.....3

2 Matter 6: Housing Supply, including Sources of Supply; the Housing Trajectory; and the Five Year Supply .....4

## 1 INTRODUCTION

- 1.1 This statement has been prepared on behalf of our client, London Square, who are the landowners of 'Front Site, Former Grange Farm, High Road, Chigwell' (Site 2).
- 1.2 Site 2 was acquired by London Square in January 2015 along with Site 1 which is located to the north east of Site 2 on Grange Farm Lane. Both Sites 1 and 2 originally formed part of 'Grange Farm' which was historically occupied for leisure and recreational uses as a camping ground. Grange Farm Centre is now located to the north of Site 2 providing recreational and sports facilities. Members resolved to grant planning permission for 43 residential units at Site 1 in November 2015 and permission was granted on 1 August 2016.
- 1.3 Site 2 has been promoted for release from the Green Belt for the purposes of residential development at every consultation opportunity associated with Epping Forest District Council's Draft Local Plan (DLP). Whilst the site was identified as a suitable and deliverable housing site in the previous draft iterations of the Local Plan, it has been removed from the submission version of the plan without any prior notification or evidence to justify it.
- 1.4 As a result, London Square cannot support the DLP and Carter Jonas will attend the hearing sessions most relevant to Site 2 on behalf of London Square.
- 1.5 This statement outline's London Square's comments in respect of Matter 6.

## 2 MATTER 6: HOUSING SUPPLY, INCLUDING SOURCES OF SUPPLY; THE HOUSING TRAJECTORY; AND THE FIVE YEAR SUPPLY

2.1 We respond to the specific issues arising in relation to Matter 6 below:

***Issue 1: Will the Plan provide a land supply sufficient to deliver the housing requirement of at least 11,400 dwellings over the Plan period?***

***Question 1. Table 2.3 on page 29 sets out the different components of the housing land supply for the period 2011-2033. Is data on housing completions and extant planning permissions now available up to 31 March 2018? If so, should the table be updated to reflect this? Should the table indicate how much housing is expected to be provided through allocations outside the Garden Communities? Should it be made clear whether the total housing supply for the Plan period will be above or below the requirement?***

2.2 Table 2.3 'Housing Land Supply: 2011-2033' of the Submission Version Local Plan explains that 1,330 homes were built between 2011 and 2017. The Authority Monitoring Report (AMR) for 2017/2018 is now available to view on the Council's website. The report explains that 526 net new homes have been completed across the District in the period, and this includes 89 net new affordable homes. If Table 2.3 was updated to include the housing completion data from 2017/2018, the number of dwellings completed since the start of the Local Plan period (i.e. 2011) would total 1,856.

2.3 We remain concerned with the accuracy of the housing completions data shown in Table 2.3 as there appears to be a discrepancy in the total number of dwellings completed stated in the AMR as compared with our calculations using Table 2.3 given that the AMR states "*the total number of dwellings completed since the start of the Local Plan period (2011) is 1,897*"<sup>1</sup>.

2.4 Nonetheless, we believe that the Table 2.3 should be updated to reflect the latest data available in order to accurately understand the housing requirement in the District.

2.5 Whilst Table 2.3 sets out the housing requirement to be met through Garden Town Communities around Harlow within EFDC and elsewhere in the District, the table does not indicate how much housing is expected to be provided through allocations. Whilst the housing allocation figures for each settlement are set out within Policy SP2, we believe that this should be indicated within Table 2.3. This would then make it clear to the reader that the purported total housing supply for the Plan period (13,152 dwellings) will be above the requirement (11,400 dwellings).

***Question 2. Policy SP2(c) indicates that additional housing could be delivered through Neighbourhood Plans and on rural exception sites in accordance with***

---

<sup>1</sup> Authority Monitoring Report 2017/2018 p.23.

**Policy H3. Is it possible to quantify this contribution and should it be reflected in Table 2.3?**

- 2.6 Whilst we consider it possible to quantify the contribution of additional housing through made Neighbourhood Plans, we consider that the contribution of housing from rural exception sites is likely to be negligible. The Housing Trajectory as set out at Appendix 5 of the Local Plan expects 41 dwellings to be provided through 'other rural sites'. We are unable to accept that the Council has adduced sufficient evidence to justify the rural exception site allocations. We therefore do not believe that rural exception sites should be reflected within Table 2.3. The inclusion of variable and un-evidenced sources of supply does not provide confidence in the outputs.
- 2.7 Regardless of whether it is possible to quantify the contribution of rural exception sites, we do not consider there to be a need for such provision within the housing supply. In line with Policy H3 'Rural Exceptions' of the Submission Version Local Plan, planning permission for rural exception sites may be granted, where the Council "*is satisfied that there is demonstrable social and economic need for affordable housing for local residents which cannot be met in any other way*" (own emphasis). Given that these 41 dwellings could instead be allocated for residential development in the Local Plan, we do not consider that there is a need for this contribution from rural exception sites. Put simply it would be far better to plan positively for this housing and treat any rural exceptions as wholly exceptional as intended, rather than placing any reliance on them.

**Question 3. Is the expected windfall allowance of 35 dwellings per annum for 11 years (385 in total) justified? Representations suggest that the figure might either be higher or lower.**

- 2.8 As set out at Paragraph 48 of the NPPF "*Local planning authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens.*" (own emphasis).
- 2.9 The Housing Implementation Strategy Update (2019) explains that, according to the Council's monitoring data, all of the housing allocations in the current adopted Local Plan (1998) had been realised by 2006, therefore it can be argued that all new homes completed since 2006 (an average of 242 new dwellings per annum) could be viewed as windfall development. This document states that the Council does not expect the rate of windfall delivery to continue at this rate following the adoption of the Local Plan, however no evidence to support this statement is provided. We therefore do not consider the expected windfall allowance of 35 dwellings per annum for 11 years to be justified.
- 2.10 Rather, we would urge the Council to further minimise the windfall allowance, and instead introduce the expected 385 dwellings as housing allocations within the Local Plan. We believe this will assist the Council in protecting open space and residential character including stopping unwanted and unsustainable 'garden grabbing'.

- 2.11 It would be incorrect and improper to conflate the level of delivery from the tail end of a Plan adopted over 20 years ago with windfall supply. If the correct DLP is positively prepared, soundly based and adequate evidence is produced to support it, then the level of windfall supply should be minimised.

**Question 4. In determining the contribution of allocated sites to the housing land supply, how have sites densities been worked out? Is there any general risk that the capacity of sites has been overestimated?**

- 2.12 The current estimated site capacities in the Local Plan were based on information collected through the Council's site selection process which comprises a gross density whilst taking account of identified opportunities and constraints, local character and the best use of land. For larger sites in particular, there is a concern that using gross density may result in the capacity of the site being overstated once the need for internal roads and other infrastructure is taken into account. There is therefore a general risk that the capacity of sites has been overestimated, and we would therefore urge the Council to consider the allocation of additional sites and/or the safeguarding of suitable and deliverable sites in sustainable settlements to assist in ensuring the delivery of the housing requirement over the Plan period as a whole.

**Issue 2: Will the Plan ensure that there is a reasonable prospect of a five-year land supply being achieved upon adoption and throughout the lifetime of the Plan as required by paragraph 47 of the NPPF?**

**Question 1. What is the five-year supply requirement upon adoption of the Plan having particular regard to the following:**

- a. **With a requirement to provide 11,400 dwellings over the 22 year Plan period 2011-33, the annualised housing requirement would be 518 dwellings. What is the shortfall in delivery since the start of the Plan period (up to 31 March 2018 if appropriate); and how and over what period is it intended to make up for this? Is it justified not to seek to recover the shortfall within the first five-year period after the Plan is adopted?**
- 2.13 Given that requirement to provide 11,400 dwellings over the 22-year plan period 2011-33, the Council would have been required to provide 3,626 between 2011 and 2018. There is however a shortfall in delivery of 1,770 homes since the start of the Plan period.
- 2.14 The Council's 'policy-on' five-year housing land supply position based on the Local Plan Submission Version allocations and utilising the methodology set out in the Housing Implementation Strategy can be therefore be calculated as follows: 2,776 (Total supply) / 3,340 (Five-year housing requirement) x 5 = 4.2 years.
- 2.15 This calculation seeks to utilise the application of the 'Liverpool Approach' in apply backlog to the entirety of the remainder of the Plan period, applying a 5% buffer to "ensure choice and competition".
- 2.16 In order for the Council to meet its own five year housing land supply requirement of 3,440 new homes, a minimum of 662 new homes will need to be identified in addition to the 2,776 new homes that have already

been identified. The Council has considered it necessary to propose a stepped requirement to housing delivery:

- Step 1: Previous Years (2011/12 – 2017/18) – the housing requirement for this period has been set at a level that reflects the actual delivery rate during the same period i.e. 265 per annum;
- Step 2: Years 1 to 5 (2018/19 – 2022/23) – the housing target for the five-year period is set at 425 new homes per annum;
- Step 3: Years 6 to 15 (2023/24 – 2032/33) – to meet the overall Local Plan housing requirement of 11,400 new homes, the Council will need to deliver 742 new homes per annum during the last 10 years of the Plan period.

2.17 These approaches<sup>2</sup> would be unjustified if applied in isolation. However, in seeking to apply them together the Council is significantly risking future affordability in the District and flying in the face of the Government's policy to deliver 300,000 homes by the mid-2020s. The Examination has already been told about the acute affordability crisis facing residents locally. The District ranks as the 3<sup>rd</sup> least affordable local authority outside London when applying lower quartile house prices to work place earnings.

2.18 The need to address this crisis immediately is exemplified by the worsening of the situation since the start of the plan period, rising by over 50% from 10.6 in 2011 to 16.08 in 2017. This factor compares to a ratio nationally of 7.3, which has been stable for around 10 years.

2.19 As set out in Paragraph 3-035-20140306 of Planning Practice Guidance, the plan should “...aim to deal with any undersupply within the first 5 years of the plan period where possible”. This has not been recognised by the Council as the combined stepped approach and Liverpool approach would not address the housing needs of the previous 7 years until much later in the plan period. This situation will mean that affordability is likely to worsen, and household formation will continue to be suppressed.

2.20 The Inspector at the recent examination of the Guildford Local Plan raised concerns regarding the use of stepped trajectories and the Liverpool methodology where there is a significant undersupply:

*“...the submitted plan's level of delivery in the early years, based on a stepped trajectory combined with the Liverpool methodology, is not acceptable. It would negate the purpose of the 20% buffer (which the Council accept), frustrate attempts to address key factors affecting worsening affordability, and would be contrary to Government policy which is seeking to boost the supply of housing”.*

The inspector concluded that “...the Council should not accept a stepped trajectory, but should identify additional sources of housing delivery in the early years of the Plan”. We contend that the position of Guildford is comparable to EFDC and therefore the Council must do more to address the undersupply.

---

<sup>2</sup> A stepped trajectory and applying the Liverpool Approach.

- 2.21 The use of the Liverpool Approach has been justified by local authorities elsewhere in the country. However, in these scenarios there has typically been a specific mitigating factor, such as the delivery of a significant piece of infrastructure to unlock housing delivery. In Guildford for example, the Council was reliant on the delivery of significant upgrades to the A3 by Highways England in order to unlock the delivery of the vast majority of growth in the Borough; this is not the case with EFDC.
- 2.22 There is a wealth of sites available to the Council that are eminently deliverable within the first five years of the Plan. The claim of the Council earlier in the Examination that because these sites are currently designated as Green Belt then they would not be able to be delivered early in the plan period is unfounded. A number of these sites, including that at Front Site, Former Grange Farm, High Road, Chigwell, are under control of reputable developers, have been subject to extensive technical work, and could be progressed to application swiftly.
- 2.23 As we understand from the Examination of earlier matters in the EiP, the Council agreed to modify the objectives of the plan to state that the plan will meet the OAN. We have taken this to mean that Policy SP2 will be amended to refer to the delivery of 12,573 dwellings (as taken from SHMA (2017)) rather than the 11,400 figure as included in the submission version of the plan. Running a calculation of previous under delivery against the Council's accepted OAN figure and annualised over the plan period, this shortfall increases to 2,145 dwellings.
- 2.24 If the Council were to address this shortfall under the Sedgefield approach, alongside a 20% buffer in accordance with paragraph 47 of the NPPF, the proposed five year supply can be calculated as follows: 2,776 (Total supply) / 6,000 (Five-year housing requirement) x 5 = 2.31 years
- 2.25 As such, our concerns with the stepped approach are heightened, and we consider it imperative for the Council to consider an alternative approach to assist in meeting the increased housing requirement.
- 2.26 An alternative strategy to assist in meeting the five year housing land supply requirement would be to attempt to increase short term housing supply through further allocations. Whilst the Council has considered a version of this strategy, it was decided that *"this option would require a significant amount of new evidence and public consultation to be carried out to justify the quantum and location of any proposed new allocations"*<sup>3</sup>. We do not believe that the Council would have to undertake a substantial amount of further technical assessments and consultation since a pool of housing sites is available from previous rounds of consultation that could be considered.
- 2.27 Our client's site is one such example: the Site was identified for allocation within the EDFC DLP (2016) for 30 homes as part of Draft Policy SP7. The Site however was removed from the submission version of the Local Plan without any prior notification or evidence to justify it. We suggest the Site to be deliverable (under both

---

<sup>3</sup> P.25 of Housing Implementation Strategy Update (2019)



footnote 11 of the NPPF and under the definition set out in the NPPF (2018)) given that it is available now, offers a suitable location for development now, and is achievable with a realistic prospect that housing could be delivered on the site within five years.

2.28 We contend that the Site should be identified for housing development within the Local Plan for up to 60 residential units, or at the very least, should be removed from the Green Belt, for the following reasons:

- The Site is considered previously developed land;
- The land benefits from numerous planning permissions, which have been implemented and could be built out at any time;
- The Site lies within a 'broad location for further assessment' as part of Stage 2 of the Council's Green Belt Boundary review;
- The Site would contribute to the provision of a five year housing land supply; and
- The Site forms part of the wider Grange Farm development, which comprises 47 dwelling houses and a sports pavilion accessed via Grange Farm Lane and plays no role whatsoever in the broader sweep of Green Belt in which the settlement of Chigwell sits.

2.29 As such, we do not believe that it is justified not to seek to recover the shortfall within the first five-year period after the Local Plan is adopted. We contend that an attempt to increase short term housing supply through further allocations would be a more appropriate, realistic and achievable strategy in meeting the five year housing land supply requirement in the District as compared with the stepped requirement approach.

***Question 2. On the basis of the answer to Question 1, will there be a five-year housing land supply upon adoption of the Plan? What evidence is there to support this? Can the Council produce a spreadsheet to show how individual sites are expected to contribute to delivery in each year? In particular:***

***a. If the Plan is not adopted until mid-late 2019, is it realistic to expect allocated sites to start delivering in 2018/19 and 2019/20?***

***b. Is it realistic to rely upon sites requiring the adoption of a Strategic Masterplan, including the Garden Town Sites, for the five year supply?***

2.30 We do not believe that the Council will have a five-year housing land supply upon adoption of the Plan should it be calculated in line with the NPPF - which requires undersupply to be addressed within five years of plan adoption. As has been demonstrated above, were the Council to apply a sound methodology, their actual five year supply would be as low as 2.31 years. This is before strategic site allocations are scrutinised for their ability to come forward within the first five years of the Plan.

2.31 It would be difficult for the Council to produce a spreadsheet demonstrating how individual sites can contribute to delivery in each year given the challenges in the delivery of strategic allocations. We suggest the Council should consider the allocation of additional smaller sites in the earlier years of the plan to address the

undersupply rather than relying on a stepped trajectory involving the delivery of strategic sites in the later part of the plan period.

- 2.32 The provision of smaller sites, spread across the District, would also provide choice to the market. This would give greater certainty on the delivery of a large number of homes earlier in the Plan period, rather than relying on strategic locations to flood the local market in a single area. The recent Letwin Review highlighted absorption rates, particularly in relation to large, homogeneous sites, as a (if not the) key constraint to delivery.
- 2.33 The Council rightly highlights this issue within EB410A the NLP paper “*Start to Finish: How Quickly do Large-Scale Housing Sites Deliver?*” This analysed the delivery rates of large scale projects and investigated both the realistic lead-in time for large-scale housing developments as well as the realistic annual build rate once the scheme starts delivering. The analysis considers the length of planning approval period for different sizes of site, including comparing largescale sites with small sites.
- 2.34 Even for sites that currently benefit from existing planning permissions, considerable time is required to create an implementable permission, negotiating commercial deals, site clearance and infrastructure works all prior to the first housing completions being achieved.
- 2.35 The inaccuracy of forward supply projections has been a consistent problem across the country and a continual key matter debated at S78 appeals. It is these inaccuracies that have led to Government taking action under the 2018 NPPF by confirming the definition of “deliverable”. This confirms that sites comprising major development that do not benefit from detailed planning permission<sup>4</sup>, should only be included within a five year supply where *clear* evidence concludes housing completions will begin in that period. Whilst this Plan is not being tested under the 2018 NPPF, the supply will be when it comes to decision making following its adoption.
- 2.36 In this light, the inclusion of sites requiring a strategic masterplan or concept framework is entirely inappropriate. The complexities involved in forming and agreeing a masterplan where multiple ownerships are involved are well documented, with the delivery of numerous strategic allocations across the country having been delayed as developers compete to secure first phase delivery and/or avoid certain costs. The increasing need for Homes England intervention in many of these sites highlights this risk.
- 2.37 Accordingly, if the Council wishes to demonstrate a reliable five year supply, it should seek to identify a number of smaller sites across the District, giving greater certainty of their delivery within the first five years of the Plan. There are a number of ready-to-go sites, including that promoted by London Square that can provide a robust, defensible five year supply.
- 2.38 This would act to reduce the pressure on the Council to deliver on strategic sites whilst maintaining sufficient housing land supply to address social and economic needs of the community. In the context of the affordability

---

<sup>4</sup> So including sites with only outline permission.

ratios in EFDC, this measure would contribute to reducing the rise in social inequalities that are evident at present and set only to worsen under the proposed approach of the DLP.