

**EPPING FOREST
DISTRICT LOCAL PLAN
EXAMINATION**

**MATTER 6: HOUSING
SUPPLY AND THE 5-
YEAR SUPPLY**

ID: 19LAD0121

HEARING STATEMENT

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MATTER 6 – HOUSING SUPPLY AND THE 5-YEAR SUPPLY

Introduction

- 1.1 This Matter 6 Statement has been prepared by Carter Jonas LLP on behalf of Pigeon Investment Management Ltd (Pigeon) to respond directly to the Inspector's questions for this Matter. The Statement only responds to the Inspector's Questions which are relevant to Pigeon's interests. Representations were submitted to the Epping Forest District Local Plan 2011-2033 (EFDLP) on behalf of Pigeon (Id. 19LAD0121). Pigeon are promoting land East of Epping for a residential-led mixed use development for around 400 dwellings (or greater)(Site Ref. SR-0153), which is generally consistent with the 2016 draft EFDLP (Regulation 18) which proposed at least 930 homes shared between South (not the Regulation 19 South) and East, but with East having a frontage onto Stewards Green Road included to provide independent access to East Epping and south being land east of the railway line. Pigeon has also promoted a more extensive area of land at East Epping based on Garden Settlement principles, replacing the allocation of 950 homes South of Epping. Alternatively, East Epping could in full or part supplement the South Epping preferred allocation.
- 1.2 East Epping has been promoted as a site that could deliver a mix of uses providing added benefits for Epping, including: a range of housing typologies including a high proportion of bungalows and self-build plots; a high quality mixed use community hub which could include a local convenience store and doctor's surgery and car parking to serve the local facilities and nearby tube station; a C2 Care Village; Primary School site; potential leisure centre with sports pitch provision; and an Eastern link road between Steward's Green Road and Stonards Hill which would assist in reducing traffic having to travel through the Town Centre.
- 1.3 The housing supply and 5-year supply related representations relevant to Matter 6 are as follows:
- Paragraphs 2.41 to 2.43 and 2.53 to 2.63 – Rep Id. 19LAD0121–6
 - Table 2.2 - Rep Id. 19LAD0121–6

MATTER 6: Housing Supply, including Sources of Supply; the Housing Trajectory; and the Five Year Supply.

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?

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?

- 1.4 It should be made clear whether the total housing for the plan period will be above or below the requirement. Table 2.3 of EFDLP identifies the different components of the housing land supply, which includes 3,900 dwellings at the Garden Communities around Harlow and a remaining housing requirement of 4,146 dwellings to be allocated elsewhere in Epping Forest District. Policy SP2 identifies the distribution of housing between the different settlements. It appears that a total of 5,916 dwellings will be allocated in the settlements, excluding Harlow i.e. an additional 1,770 dwellings above the remaining housing requirement, based on the proposed housing target of 11,400 dwellings. If the housing target was increased to 12,573 dwellings to meet the OAN derived from the SHMA 2017 Update, then an additional 597 dwellings would be provided above the remaining housing requirement. However, as set out Pigeon's Matter 3 Hearing Statement, it would be reasonable to increase the housing target to a minimum of 13,278 dwellings in order to provide for a 20% uplift for market signals. A housing target of 13,278 dwellings would result in a housing shortfall of 108 dwellings based on existing allocations. In these circumstances additional allocations would be required, to meet housing needs and to provide flexibility in the supply of housing; as set out in the Pigeon representations and in Hearing Statements for other Matters, it is requested that land East of Epping is allocated for a residential-led mixed use development of around 400 dwellings in EFDLP. The site was allocated in the draft EFDLP so

clearly has been identified as a sustainable location for growth and by inference remains as a 'sequentially' preferred site, in a settlement that sits at the top of the Council's settlement hierarchy.

2. Policy SP2(c) indicates that additional housing could be delivered through Neighbourhood Plans and on rural exception sites in accordance with Policy H3. Is it possible to quantify this contribution and should it be reflected in Table 2.3?

1.5 There are no 'made' Neighbourhood Plans in Epping Forest District, and as such it is not clear what quantum of housing development might be included in neighbourhood plans over and above that allocated through EFDLP. It is noted that the emerging Epping Town Neighbourhood Plan did seek to allocate a number of small sites for housing at draft plan stage, but it appears from the minutes of recent Neighbourhood Plan Group meetings that those sites will be deleted at the pre-submission plan stage because they are not available or deliverable.

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

1.6 Paragraphs 3.5 and 3.6 of the Housing Implementation Strategy [Doc Ref. EB410] set out the approach to the windfall allowance in EFDLP. However, the Housing Implementation Strategy contains no evidence to justify the proposed windfall allowance, as required by national guidance in Paragraph 48 of NPPF1 and Paragraph 24 (ID: 3) of the Planning Practice Guidance, and as such it cannot be justified. In the absence of any compelling evidence to the proposed windfall allowance then it should be deleted.

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?

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?

1.7 Paragraph 1.119 and Figure 2 of the Annual Monitoring Report for 2017/18 [Doc Ref. EB1708M] provides details of housing completions. In summary, 526 dwellings were completed in 2017/18, and 1,897 dwellings have been completed since 2011/12 the start of the plan period for EFDLP. The total housing requirement for the period 2011/12 to 2017/18 is 3,626 dwellings at an average of 518 dwellings per annum. Therefore, the housing shortfall since 2011/12 is 1,729 dwellings, which represents a significant shortfall and equates to almost half of the overall housing requirement during this period.

1.8 The Council acknowledged in verbal discussions at the Hearing Session for Matter 3 (The Quantitative Requirements for Development) that the delivery of housing in the early part of the plan period for EFDLP is challenging, and that is why the Council prefers the Liverpool approach to address the housing land supply shortfall. It is considered that the inability of EFDLP to deliver an adequate supply of housing in the early part of the plan period is not because of any district-wide constraints but is as a result of the Council's site selection process. It is considered that additional small and medium sized deliverable sites should be allocated in EFDLP in order to increase the supply of housing in the early years of the plan period; the land East of Epping promoted by Pigeon is an example of a site that can start to be delivered in the short term and contribute towards addressing the current housing land supply shortfall.

1.9 Paragraph 035 (Id. 3) of the Planning Practice Guidance indicates a preference for the use of the Sedgfield approach which seeks to address any housing land supply shortfall within the 5 year period. It is noted that Uttlesford and Harlow both seek to meet their housing land supply shortfall within the 5 year period, and it was agreed by the Inspector for the East Hertfordshire Local Plan Examination that a 10 year period to meet their housing land supply shortfall was appropriate. Therefore, none of the other authorities within the HMA seeks to spread their housing land supply shortfall over the remainder of the plan period – the Liverpool approach. It cannot be justified for one authority to adopt a different approach to its neighbours.

- 1.10 The monitoring data demonstrates that there has been inadequate delivery of affordable housing in Epping during the early years of the plan period – see Table 3 in the Annual Monitoring Report 2017-18 [Doc Ref. EB1708M]. It cannot be justified for those with an affordable housing need now to be expected to wait until much later in the plan period, or beyond, until their needs are met.
- 1.11 The scale of the housing land supply shortfall in Epping Forest District, the use of the Sedgefield approach by other authorities within the HMA, and the delivery of affordable housing, indicates that the Sedgefield approach is the most appropriate, and is consistent with national guidance to boost significantly the supply of housing. It is requested that the Sedgefield approach is used in EFDLP to meet the housing land supply shortfall.

b. What buffer should be included in the five-year supply requirement (moved forward from later in the Plan period) to ensure choice and competition in the market for land? Is the relevant buffer justified? The Housing Trajectory in Appendix 5 indicates that 5% has been added to the annualised requirement for every remaining year of the Plan period. Why is this?

- 1.12 Figure 2 of the Annual Monitoring Report for 2017/18 [Doc Ref. EB1708M] provides details of housing completions. The total housing requirement for the period 2011/12 to 2017/18 is 3,626 dwellings at an average of 518 dwellings per annum. Figure 2 clearly shows that the annual housing target has not been met in 6 out of 7 years since the start of the plan period; 525 dwellings were delivered in 2017/18. This represents persistent under-delivery and as such a 20% buffer is justified.
- 1.13 It is noted that both Harlow and East Hertfordshire also apply a 20% buffer because of persistent under-delivery in those neighbouring areas.

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:

- 1.14 No, it is considered that there will not be a five year housing land supply at adoption of EFDLP.

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?

- 1.15 The likelihood of allocated sites starting to deliver in 2018/19 and 2019/20 will depend on the particular circumstances at each site. In summary, the stages that need to be completed before housing can be delivered at a site are as follows: prepare and submit the outline planning application documents, determine the outline planning application, complete negotiations on the S106 Agreement, discharge relevant conditions, market land parcels to housebuilders, appoint housebuilders, submit reserved matters, and complete primary infrastructure. These actions will take some time to complete, and it is requested that these factors need to be fully reflected in any assessment of the predicted delivery timetable for allocated sites. It is noted that the decision to release land from the Green Belt will need to be confirmed in EFDLP before those sites can come forward; for example three Harlow Garden Communities within Epping Forest District and South Epping all need to be released from the Green Belt. It should also be noted that masterplans are needed for a number of the strategic allocations i.e. three Harlow Garden Communities, South Epping, Jessel Green, Waltham Abbey North, North Weald Bassett, North Weald Airfield, and Limes Farm.

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?

- 1.16 No it is not considered realistic to include the Garden Community Sites around Harlow within the five year supply, partly because of the need to adopt a strategic masterplan for these sites but for other reasons too. In summary, the assumptions about housing delivery rates at the three Garden Town Communities need to reflect national and local evidence on housing delivery rates and other large strategic developments within and on the edge of Harlow, and the assumptions about the commencement of development at land East of Harlow site should reflect the fact that the larger part of the development within Harlow will be delivered in the first

phase before the part within Epping Forest District. If more realistic assumptions about delivery rates and the commencement of development at land East of Harlow are applied then less housing would be delivered from these sites during the plan period for EFDLP. Pigeon do not object to the principle of development on the edge of Harlow but the assumptions being made are not considered to be deliverable and a shortfall is therefore expected.

- 1.17 The predicted phasing and annual housing delivery rates for the three Garden Community Sites around Harlow are provided in Appendix 4 of the Housing Implementation Strategy [Doc Ref. EB410]. It is noted that the site references and quantum of development for each of the three sites are incorrect, and should be updated. The three sites with correct number of dwellings are as follows: Latton Priory (SP 5.1) for 1,050 dwellings; Water Lane Area (SP 5.2) for 2,100 dwellings; and, East of Harlow (SP 5.3) for 750 dwellings within Epping Forest District - 2,600 dwellings are allocated at this site within Harlow District.
- 1.18 The Housing Implementation Strategy [Doc Ref: EB410] predicts that housing will be delivered at the Water Lane Area and East of Epping sites by 2021/22, and at the Latton Priory site by 2022/23. A Spatial Vision Document was subject to consultation in June 2018. The policies for each of these sites require a Strategic Masterplan document to be approved by the Councils in advance of any planning applications. It is considered that the assumptions about the commencement of development are unrealistic, and should be amended to realistically reflect the actions that still need to be completed e.g. approve Strategic Masterplan, prepare and submit the outline planning application documents, determine the outline planning application, complete negotiations on the S106 Agreement, discharge relevant conditions, market land parcels to housebuilders, appoint housebuilders, submit reserved matters, and complete primary infrastructure. These actions will take some time to complete, and need to be fully reflected in the housing trajectory. The number of tasks that need to be completed means that it is highly unlikely that development would commence on any of these sites in 2021/22, and development is likely to occur beyond the plan period at all three sites, and in the case of land East of Harlow no development is likely to take place on the part of the site within Epping Forest District during the plan period.
- 1.19 There is currently no evidence of past housing delivery rates at strategic sites in Harlow in order to inform the delivery rates that should be applied at the three Garden Community Sites around Harlow within Epping Forest District. There is recent national evidence available on housing delivery rates. Nathaniel Lichfield & Partners published a research report 'Start to Finish - How Quickly do Large-Scale Housing Sites Deliver?' (November 2016) which provided evidence on the speed and rate of delivery of large-scale housing developments – see <http://lichfields.uk/content/insights/?article=start-to-finish-how-quickly-do-large-scale-housing-sites-deliver&archive>. The key findings of the research report that we wish to highlight are as follows:
- 3.9 years is the average lead in time for large sites prior to the submission of the first planning application;
 - 6.1 years is the average planning approval period of schemes of 2,000+1 dwellings, and the average for all large sites is circa 5 years; and,
 - the average annual build rate for a scheme of 2,000+ dwellings is 161 dwellings per year.
- 1.20 In the absence of any local evidence or specific circumstances applicable to the three Garden Community Sites around Harlow, then it is requested by Pigeon that this national evidence forms the basis for assumptions in the housing trajectory about annual delivery rates, the amount of time it will take to complete the planning process, and realistic dates for housing to be delivered on site. The close proximity of other strategic sites within Harlow that are still under construction or allocated on the edge of Harlow will also affect delivery rates at the three Garden Community Sites. For example, development is still being completed at New Hall on the eastern edge of Harlow. An urban extension at Gilston, on the northern edge of Harlow, is allocated in the recently adopted East Hertfordshire District Plan 2018 for 7,000 dwellings.
- 1.21 The land East of Harlow is allocated for a combined total of 3,350 dwellings, with 2,600 dwellings within Harlow District and 750 dwellings within Epping Forest District. Map 2.1 in EFDLP (see pg.39) shows the relationship between the two parts of the proposed allocation. It is highly likely that the first part of this development to be completed will be on land adjacent to the existing urban area i.e. land within Harlow District, and for practical reasons this is what would happen in order to deliver infrastructure and to connect neighbouring developments with one another. Therefore, it would be realistic to assume that the 2,600 dwellings within Harlow District would be delivered in advance of the part of the development within Epping Forest District. It would take approximately 13 years for housing to be delivered at the East of Harlow site

within Harlow District once planning permission has been granted; assuming a housing delivery rate of 200 dwellings per annum. As such, the housing at the East of Harlow site within Epping Forest District would not occur until beyond the plan period for EFDLP i.e. 2033. On this basis, Pigeon request that the 750 dwellings included in the housing supply from the land at East of Harlow are deleted from the housing trajectory and the housing land supply for sites on the edge of Harlow.

- 1.22 It is considered that additional sites will need to be allocated to make up the shortfall that will result when realistic delivery rates are applied to all of the Garden Community Sites around Harlow and the supply from the land East of Harlow site within Epping Forest District is deleted because it will not be delivered during the plan period. The shortfall will be at least 750 dwellings, and probably much more when realistic delivery rates are applied. Therefore, EFDLP is incapable of meeting even the proposed housing target specified in Policy SP 2 of EFDLP; Pigeon's Matter 3 Hearing Statement demonstrates that the housing requirement should be increased to a minimum of 13,278 dwellings. Pigeon are promoting land East of Epping for around 400 dwellings as part of a residential led mixed use scheme and request that this site is allocated. The site was allocated in draft EFDLP so clearly has been identified as a sustainable location for growth and by inference remains as a 'sequentially' preferred site, in a settlement that sits at the top of the Council's settlement hierarchy.

