

Home Builders Federation

ID: 190TH0036

Matter 6

## EPHING FOREST LOCAL PLAN EXAMINATION

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

***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?

It is unjustified not to recover the shortfall over the first five-years of this plan. On the basis of the latest delivery expectations in the EB410A we calculate the shortfall at March 2018 to be 1,768 if the housing requirement is annualised across the plan period. This is a significant shortfall and represents a failure to prepare a local plan to meet its housing needs. Whilst the Council have suggested in EB410A that the recent legal challenge has significantly delayed the adoption of this local plan leading to the suggested use of a stepped trajectory and the “Liverpool” methodology, it must be remembered that the Council has not adopted a completely new plan since January 1998 and that there was no five-year land supply prior to the delay in submission. The Council state in paragraph 3.21 that they had a 5.3-year housing land supply at publication, but this was on the basis of a 5% buffer and using the Liverpool trajectory both of which are inappropriate in Epping Forest’s situation. The Council would not have had a five year land supply prior to the delay and therefore, it cannot be considered a sound basis to depart from Government policy with regard to addressing any shortfall.



The starting point for any consideration of shortfall is established in paragraph 3-035-20140306 of Planning Practice Guidance. This states that the plan should:

*“...aim to deal with any undersupply within the first 5 years of the plan period where possible”*

Therefore, when preparing a plan, a key consideration should be how the Local Planning Authority can ensure that the backlog is addressed in the first five years of the plan. However, the position set out by the Council in EB410A justifying the use of stepped trajectory is that there is little prospect of them maintaining a five-year land supply on adoption without a stepped trajectory. The Council should have recognised this situation and looked to allocate sites that would provide it with sufficient flexibility in the early part of the plan period to address its backlog. The Council argue that as any additional allocations would need to be removed from the Green Belt, they are unlikely to be delivered in the first five years. This will depend on the sites being allocated with many smaller sites easily being able to increase supply within five years.

The position being put forward by the Council will mean that housing needs from the previous 8 years will not be addressed 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. It is for these reasons why the Government state that where needs can not be addressed within five years, LPAs should use the duty to co-operate to ensure the backlog is addressed within neighbouring authorities. This is to ensure that the negative impacts of the backlog are minimised through delivery within the Housing Market Area. Pushing back delivery using the stepped trajectory and Liverpool methodology as proposed by EFDC is, therefore, unjustified.

The concerns regarding the use of stepped trajectories and the Liverpool methodology where there is a significant backlog was addressed at the recent examination of the Guildford Local Plan. In his interim note to the Council the inspector stated:

*“...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.”*

He concluded in the following paragraph that: *“... the Council should not adopt a stepped trajectory, but should identify additional sources of housing delivery in the early years of the Plan.”* We would suggest that EFDC are in a similar position and the Council must do more to address the current backlog.

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?

On the basis of the 2012 NPPF the Council should apply a 20% buffer as part of its 5-year housing land supply assessment. However, as the plan will be delivered under the 2018 NPPF and its associated guidance consideration should be given to the Housing Delivery Test (HDT) when assessing the relevant buffer as required by paragraph 73 of the 2018 NPPF. On the basis of the annualised requirement of 518 dpa then the Council would be required to include a 20% buffer. With the stepped trajectory significantly lowering the housing target during the 2011 to 2018 period the Council would only be required to have a 5% buffer on adoption of the plan as the Council's housing requirement will have effectively been set at what was delivered.

This again shows that the Council's approach will frustrate attempts by the Government to address the poor delivery resulting from slow plan preparation that, in turn, has had a significant impact on affordability within EFDC. This plan will not change that situation with its approach to the early years of this plan and the stepped trajectory being proposed by the Council cannot be considered sound.

The Council must not use a stepped trajectory and allocate additional sites to ensure that it has a five-year housing land supply on adoption.

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?

We do not consider the Council to have a five-year housing land supply on adoption if this is calculated in line with national policy which requires backlog to be addressed within five years of adopting the plan. Whilst we cannot comment on the trajectories of individual sites, we do consider it important that sites assessments are realistic and cautious recognising the difficulties in the delivery of strategic allocations.

It is important for plans to allocate smaller sites in the early part of the plan to address any shortfalls and then rely on strategic sites to deliver homes in the later part of the plan period.

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