

Sent by email to: localplan@braintree.gov.uk

24/07/2017

Dear Sir/ Madam

Response by the House Builders Federation to the Braintree Draft Local Plan

Thank you for consulting the Home Builders Federation (HBF) on the Braintree Draft Local Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

Duty to Co-operate

It is clear that Tendring, Braintree and Colchester have been working closely in the preparation of their Local Plans. The shared approach to meet housing need across the Housing Market Area (HMA) set out in 'Part 1' of each Local Plan shows a real commitment from to addressing the strategic and cross boundary issues facing the housing market area. However, we are disappointed that Chelmsford, despite being mentioned in paragraph 1.8 of the draft Local Plan as being part of the HMA, are not part of this shared policy framework. A strategic framework covering all four authorities would provide an even more appropriate approach to delivering much needed housing and the infrastructure required to support that growth. As Braintree, Tendring and Colchester have looked to meet housing need at a strategic level we have considered the evidence on housing needs and the Garden Communities under the strategic Part 1 of the draft Local Plan that is shared across each authority. Consequently we comment on the needs of each authority in this representation.

Local Plan Part 1

Meeting Housing needs in the North Essex HMA

Policy SP3 is not sound as it is unjustified

Policy SP3 sets out the housing requirement for each of the Councils in the HMA which would deliver a total of 43,720 new homes. Whilst we would agree with the use of the 2014 Sub National Population Projections (SNPP) as a robust demographic starting point we are concerned that this level of delivery underestimates housing needs. In particular we are concerned that this figure does not:

- Adequately consider increased in migration from London

- Effectively assess key market signals in relation to Braintree and Colchester
- Use ONS data as the starting point for Tendring's Objectively Assessed Housing Need (OAHN).

London migration

It is essential that Council's across the East and South East of England consider the impact of expected changes in migration between the three authorities and London. The Mayor of London's alternative 'Central Variant' migration assumptions in his SHMA of 2013 sets out the expectation that more people will move out of London, and fewer will move in from the rest of England than had been projected by the DCLG in its 2011-interim household projections. The Mayor is expecting that there will be 12,000 fewer households a year in London compared to the official DCLG projections. In this respect, we are pleased to see that Section 4 of the 2016 update to Objectively Assessed Housing Need Study (OAHNS) considers the impact of increased migration from London on the HMA. The potential impact is assessed by comparing the GLA's central scenario against the 2012 Sub National Population Projections and this analysis indicates that across the HMA there is likely to be a small increase in housing needs based on current GLA demographic models.

However, we do not agree with the final assessment that due to the annualised impact being relatively small it should not be considered. 64 homes per year over the plan period equates to 1,280 homes. This is a significant amount of housing need and should not be ignored. We would therefore suggest that even a minor uplift as indicated at paragraph 4.10 of the 2016 OAHNS should be considered. The changes in migration patterns between capital and the HMA also reflect the difficulties that London Boroughs are having in meeting their housing needs and concerns that the amount of unmet need arising from the capital in future will increase. As part of the evidence supporting the Further Amendments to the London Plan the GLA indicated a land supply to realistically deliver 42,000 dwellings per annum against a needs assessment of between 49,000 and 62,000 per annum depending on whether unmet needs are delivered over the next five or twenty years. Therefore as a minimum there is likely to be an unmet housing need of at least 7,000 dwellings. The table below sets out the delivery expectations of those 17 London Boroughs with an adopted or emerging Local Plan that reflects the housing requirements from the Further Amendments to the London Plan which were adopted in 2013 and clearly illustrates our concerns.

London Borough	FALP requirement	Delivery	Difference
Bromley	641	641	0
Camden	1,120	889	231
Croydon	1,592	1,435	157
Enfield	798	798	0
Hackney	1,599	1,599	0
Hammersmith & Fulham	1,100	1,031	69
Haringey	1,502	1,502	0
Havering	1,170	1,170	0
Hounslow	822	822	0

Lambeth	1,195	1,559	-364
Redbridge	1,252	1,123	129
Richmond Upon Thames	315	315	0
RBKC	733	733	0
Southwark	2,000	2,736	-736
Sutton	427	363	64
Tower Hamlets	3,931	3,931	0
Wandsworth	1,812	1,812	0
Total	22,009	22,459	-450

This table shows there is an undersupply of 450 dpa compared to the housing targets in the London Plan. Although there are still 16 London boroughs who have yet to produce up-to-date plans that adopt the new London Plan housing targets, the evidence at the moment suggests that the London boroughs are struggling to produce local plans that will meet the London Plan minimum figure of 42,000 dpa let alone increase supply to achieve the London (lower end of the range) OAN of 49,000.

The evidence indicates the starting point should be increased, as a minimum, within both Colchester and Braintree based on GLA scenarios. Further consideration will need to be given to uplifting Tendring's starting point in future depending on London's ability to meet its housing needs. Tendring has in the past seen relatively high net in-migration from London. This is shown in the Edge Analytics report Greater Essex Demographic Forecasts 2013-2037 Phase 7 May 2015. Figure 2 of this report shows that Tendring experienced similar levels of net in migration from London to those authorities in Essex that border the Capital.

Market signals

The 2016 OAHNS examines the issue of market signals and recommends an uplift of 20% for Chelmsford, 15% for Braintree and Tendring and no uplift for Colchester. We disagree with some of this assessment and suggest the evidence points towards a higher uplift for Braintree and Colchester given the affordability ratios and rising house prices seen across the area.

With regard to Braintree there are clear affordability issues that are not dissimilar to those found in Chelmsford. Affordability ratios based on work place earnings in Chelmsford are 10.9 compared to 9.7 for Braintree. Despite a steeper fall in house prices during the recession the study shows that values have grown in line with the rest of Essex with Figure 5.17 showing a worsening trend with regard to affordability ratios since 2013. Therefore whilst we would agree that there has been no long term historical under supply of homes in Braintree a high, and worsening, affordability ratio and steeply increasing house prices indicates that a 20% uplift in line with Chelmsford is warranted.

The study sets out that it does not consider there to be sufficient evidence to support an uplift for Colchester. The reasons given are that affordability is "slightly above the national average" with "house prices and rents well below national averages". Whilst helpful in providing context studies should be careful when considering affordability

ratios and house prices against other authorities as well as national and local averages. The affordability of housing is a national concern and the affordability ratio for England reflects this issue. Just because affordability is close to the national position should not be sufficient justification for not applying a market signals uplift. The same applies to local benchmarking. House prices could be lower within one area of an HMA but if incomes are also disproportionately lower there would still be significant affordability concerns that would support an uplift in the OAHN. The issue of using comparisons to assess market signals was considered at the examination into the Mid Sussex District Plan. On page three of his interim conclusions on the Council's housing requirement 2017 the inspector stated:

“The Council places much reliance on the relative position of Mid Sussex vis- à-vis other districts in the HMA and in Sussex. It believes that if house price trends and related signals in Mid Sussex are broadly aligned with those in nearby authorities, which by and large they are, it should not be necessary to make a significant uplift to its OAHN to reflect market signals. The flaw with this is that if each authority simply had regard to similar trends in neighbouring authorities, and each plan were to replicate the OAHN approach of its neighbours, the cycle would be perpetuated and there would be no adequate response to continually worsening affordability.”

It is also worth remembering that despite lower than average house prices and rents it would still require someone on lower quartile earnings working in Colchester to borrow 8.7 times their salary to afford a home within this area. We would therefore suggest that based on the affordability ratios a minimum 10% uplift is applied on the basis of market signals. However, it should be noted that the Local Plan Expert Group advised that where affordability ratios were at this level uplifts of 20% should be considered. Therefore, to suggest, as the report does in paragraph 5.101, that there is no strong evidence for a market signal uplift would seem absurd.

Future jobs

We are pleased to see the consideration of jobs growth on the basis of whether there are sufficient homes, once the starting point and market uplifts have been considered, to meet the employment expectations of the area. Only where OAHN based on the demographic starting point and market uplifts indicate this would be below the jobs growth expected in the area should an additional uplift be applied. The approach taken in the 2016 OAHNS would appear to be reasonable and given the uncertainties around economic forecasts we are pleased to see that a range of forecasts are considered.

Tendring and UPC

We fundamentally disagree with the decision to reduce the starting point for Tendring on the basis of UPC. In doing so the Council appears to be seeking to base future needs on past housing delivery rather than rely on the Government's published projections. We do not consider such a scenario to be appropriate and we consider Tendring's starting point for their OAHN should be 675 dpa as set out in table 1 of the Tendring note. This starting point is derived from the most up to date projections, the 2014 based Sub-National Population Projections that were published in May 2016.

Given that this is a 20 year plan and planning policy requires regular reviews of this plan it will be possible to consider future iterations arising from ONS demographic projections should this be required. By using the 2014 estimates as a starting point ensures consistency not only with other authorities in the HMA but will also allow for effective strategic reviews in future across all three local planning authorities.

Conclusion on OAHN

Based on both increased migration from London and concerns regarding affordability we would suggest the following OANs for each of the three Councils forming part of the “North Essex” area:

- Braintree – 762 dpa (623 starting point plus 12 units for London migration scenario and a 20% uplift)
- Colchester – 1002 dpa (866 starting point plus 45 units for London migration scenario and a 10% uplift)
- Tendring – 776 dpa (675 plus 15% uplift)

This level of delivery would require the North Essex HMA to deliver 2540 homes per annum, a total of 50,800 new homes between 2013 and 2033.

Garden communities

Part 3 of SP8, SP9 and SP10 are unsound as they are not consistent with national policy

We welcome the identification of three new settlements across the North Essex HMA. This shows not only a commitment to delivering housing for this plan period but beyond. However, we do have a point of consistency to raise regarding the target for affordable housing in each new settlement. In SP7 the absolute target of 30% is clearly set out in part v. However, in Policy SP8 and Policy SP9 these targets are set out as minimums. An essential part of the local plan is to provide certainty to the applicants and to decision makers with regard to new development. Placing a minimum on the affordable housing requirement suggests that a higher proportion may be applicable and is purely a starting point for negotiation. The local plan must be clear as to the target it is seeking in order to provide a clear pricing signal to the market. This can then be factored into the price of land by developers when seeking to acquire land in these areas. To make these policies sound the affordable housing requirement in SP8, SP9 and SP10 should not be set as minimums.

Local Plan Part 2

LPP17 Housing provision and delivery

The Plan does not have a five year housing land supply and as such is both ineffective and inconsistent with national policy

Planning Practice Guidance is clear that any past under delivery of housing should be addressed in the first five years of the Plan. This is set out in paragraph 35 (Ref ID: 3-035-20140306) of the NPPG, which states:

“Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible.”

The Council have not stated the approach they intend to use in assessing their five year housing land supply. We consider it to be imperative that the Council uses the Sedgefield methodology in assessing its five year land supply. There are very few reasons for considering undersupply across the whole plan period, such as tight administrative boundaries leading to severe restrictions on the availability of land, and we do not consider these apply to Braintree. It is also necessary to consider whether a 20% buffer should be included as part of the five year land supply due to persistent under delivery of housing. Whilst we are concerned that delivery has fallen significantly below targets between 2011 and 2014 the evidence does not suggest any persistent under performance. As such we believe a 5% buffer is applicable.

Table 1 uses the Council’s housing trajectory set out in Appendix 1 of the draft Local Plan to set out the Council’s ability to deliver 5 years’ worth of housing land supply using both the Sedgefield and Liverpool methodologies. Whilst we do not consider the 20% buffer to be necessary we have included it within the table for the sake of completeness.

Table 1: Five year land supply: comparison between methodologies

	Liverpool method with 5% buffer	Liverpool with 20% buffer	Sedgefield with 5%	Sedgefield with 20%
Basic five year requirement 2017/18 to 2021/22	3580	3580	3580	3580
Backlog 2013/14 to 2016/17	320	320	1281	1281
total 5 year requirement 2017/18 - 2021/22	3900	3900	4861	4861
Buffer applied (5%/20%)	4095	4680	5104	5833
Supply 2018/19 to 2022/23	4579	4579	4579	4579
surplus/shortfall	484	-101	-525	-1254
Number of years supply in first five years	5.6	4.9	4.5	3.9

Source: HBF based on Appendix 1 Braintree Draft Local Plan

It is clear from the proposed housing trajectory that the Council do not have sufficient land to meet the housing needs arising within the first five years of their plan. This suggests that the Council is back loading the delivery of housing until later in the Plan

period a position that is confirmed by the Council's housing trajectory. This shows that over 10,000 homes are planned to be delivered between 2023 and 2033 with over half of those in the last five years of the plan. In addition the majority of that delivery will be through eight large allocations totalling 8,800 new homes. Such an approach places delivery of the Plan at greater risk should there be a delay in any of the major sites that are required to support its delivery. Such an approach also fails to deliver the necessary flexibility required by the NPPF in paragraph 14 which states that in meeting objectively assessed need they should have "...sufficient flexibility to adapt to rapid change".

We would therefore suggest that the Council examines the possibility of allocating more smaller sites within the Plan, potentially focussing on the ability of the key service villages to take further development. These are more likely to be deliverable within the first five years of the Plan and address under supply during that period. Unless additional sites are brought forward earlier in the Plan it will not have a five-year land supply and should be considered unsound.

LPP33 Affordable housing

Whilst it would appear that the Council's intentions are to apply the relevant thresholds for affordable housing as set out in paragraph 031 (Ref ID: 23b-031-20161116) of Planning Practice Guidance the way the policy has been written makes it very difficult to understand the approach being taken by the Council. Poorly worded policies make decision making by both the applicant and the planning authority difficult, creating unnecessary uncertainty which is contrary to the core planning principles set out in paragraph 17 of the NPPF which require local plans to:

"... provide a practical framework within which decisions can be made with a high degree of predictability and efficiency"

In the first instance the Council must be clear that no contributions will be required on any development within the Borough of 11 dwellings or more with a gross internal floor space of less than 1000m followed by the exception to this position with regard to Braintree, Witham and Halstead. The Council must then be clear as to the proportion of dwellings on sites that do not meet these criteria that will be expected to be delivered as affordable housing. If the Council's intentions are not to apply the Government's policy as set out in the PPG it must clearly state this. If this is the case then the policy cannot be justified and is inconsistent with national policy.

LPP37 Housing type and density

This policy is unsound in relation to the optional standards for accessible housing as it has not been justified

PPG requires local planning authorities to consider both viability and needs in order to justify the inclusion of higher optional Building Control standards for accessible housing. Paragraph 007 (Ref ID: 56-007-20150327) states:

“Based on their housing needs assessment and other available datasets it will be for local planning authorities to set out how they intend to approach demonstrating the need for Requirement M4(2) (accessible and adaptable dwellings), and/or M4(3) (wheelchair user dwellings), of the Building Regulations.”

Whilst the Council have considered how these standards would impact on viability the Council has not provided any of the evidence required in relation to the need for such housing. PPG sets out in paragraph 007 (ID: 56-007-20150327) that is for local authorities to consider the following evidence:

- The likely future need for housing for older and disabled people (including wheelchair user dwellings).
- size, location, type and quality of dwellings needed to meet specifically evidenced needs (for example retirement homes, sheltered homes or care homes).
- the accessibility and adaptability of existing housing stock.
- how needs vary across different housing tenures.

As there is no supporting evidence with regard to need then the use of the optional standards on accessibility cannot be justified. As such the requirements relating to these standards in LPP37 should be deleted.

LPP49 Broadband

This policy is unsound as it is inconsistent with national policy and is unjustified.

Whilst the NPPF established that local planning authorities should seek support the expansion of electronic communications networks it does not seek to prevent development that does not have access to such networks. By stating all, new dwellings must be served by super-fast broadband potentially allows for the Council to refuse a development without such provision or imposing a Grampian condition preventing a development from being occupied until such networks are provided. The provision of super-fast broadband is not in the control of the developer who requires a third party provider for such infrastructure. It is also the case that the house building industry is fully aware of the benefits of having their homes connected to super-fast broadband and what their customers will demand.

We are also concerned that no additional costs have been included in the viability study for such provision. The study sets out in appendix 2 that these costs are incorporated into standard assumptions on development costs. However, we consider it essential that this policy is properly costed within the viability study. In particular the cost of such a policy on smaller developments in more rural communities could be significant and should be considered separately. Without this additional evidence there is insufficient evidence to support this policy.

In seeking to extend broadband to homes the Council should work proactively with telecommunications providers to extend provision and not rely on the development industry to provide for such infrastructure. The second and third paragraphs should therefore be deleted.

LPP74 Climate Change

This policy are unsound as it is inconsistent with national policy

The first paragraph of LPP74 is contrary to the Written Ministerial Statement (WMS) of 25 March 2015. LPP74 requires applicants to submit a sustainability statement setting out how proposals demonstrate the principles of climate change mitigation are embedded into the design of the development proposal. Applicants for planning permission are not required to provide 'sustainability statements' in terms of the construction, internal layout and performance of dwellings. Applicants now need only meet the Building Regulations and the three optional technical standards relating to water, access and space if these have been adopted by the council. As the WMS states:

"local planning authorities (will) also need to review their local information requirements to ensure that technical detail that is no longer necessary is not requested to support planning applications."

As stated, applicants need only demonstrate to the Building Control department that they satisfy the Building Regulations. This position is further reinforced in paragraph 193 of the NPPF which is clear that information requirements from applicants should be "... relevant, necessary and material to the application in question". Clearly the Government consider Sustainability Statements not to be relevant or necessary to an application and as such this policy should be deleted.

Conclusion

For the Braintree Local Plan to be found sound it must pass the four tests set out in paragraph 182 of the NPPF. At present we consider the Publication Local Plan to be unsound due to:

- Under-estimation of objectively assessed housing needs
- Inconsistent application of affordable housing requirements on strategic sites
- Inflexible housing delivery with no five year housing land supply
- Unjustified policies in relation to housing standards

We hope these representations are of assistance in taking the plan forward to the next stage of plan preparation and examination. I would also like to express my interest in attending any relevant hearing sessions at the Examination in Public. Should you require any further clarification on the issues raised in this representation please contact me.

Yours faithfully

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