

Housing Note for Local Plan Committee 12 June 2017

Housing Targets

National guidance in the National Planning Policy Framework is clear that local planning authorities must prepare a Local Plan that 'meets the full, objectively assessed needs for market and affordable housing' in their area. Having no growth is not an option, so we want to have a plan in place to make sure development is properly planned. The aim is to get the right type of development in the right places to meet the growing needs of local people and businesses whilst protecting our environment.

There are a number of consequences of under-providing housing;

- rapidly rising house prices;
- insufficient affordable housing;
- skills shortages if housing for workers isn't available;
- over-crowding and homelessness; and greater social inequality;
- no adopted local plan leading to speculative/unplanned development;
- intervention by the Government requiring an action plan or 20% buffer on targets.

In addition, meeting housing need in full is an essential component of a Local Plan which will not pass examination if the need is not met. Castle Point, for example, recently saw its Local Plan rejected due to its failure to meet its housing target and consequential failure to meet its Duty to Co-operate as they hadn't communicated with neighbouring authorities to develop a shared approach to meeting this deficit. The authority's OAN was 400 dwellings per annum, however the draft Local Plan only provided allocations for 100 dwellings. This was felt to be justified by the Council on physical constraints on building within the Borough, however there were no formal meetings with other authorities to discuss the actual level of housing proposed in Castle Point's plan. Accordingly, the Inspector felt that Castle Point failed to demonstrate in its plan how housing need would be met. He considered that whilst the Council was entitled to set its own housing target, joint working should have been undertaken to meet the requirement for addressing the full objectively assessed need for housing within the housing market area of 5 south Essex authorities.

Adoption of an up-to-date plan including a robust housing target also strengthens an authority's case at appeal. Inspectors are giving considerable weight to five-year housing land supply in their decisions and many authorities have lost appeals because they couldn't demonstrate this. Colchester's good record of housing delivery has spared the authority from the levels of appeals experienced by under-performing authorities elsewhere, but speculative developers are alert to any change to housing delivery levels and are quick to lodge applications if they consider an authority might be vulnerable on housing supply grounds.

The figures below show the housing targets for the four authorities in Colchester's Housing Market Area (HMA) for both previous periods and the upward revisions that have been made for the current Local Plan period.

Local Authority	Previous Local Plan Target, Period Covered and Relevant Plan	Objectively Assessed Need 2013 – 2033 annual figure
Colchester	830 (2001-21)	920
Chelmsford	700 (2001-21)	805
Braintree	273 (2009 – 2026)	716
Tendring	425 (2001-21)	550

Shortfall

Colchester is noteworthy for having met its housing targets over time. The fact that other neighbouring authorities have not remains important as they, unlike Colchester, need to make adjustments to their future allocations to address past under-delivery. If LA's don't deliver against their target they don't simply 'get away with it.'

The Local Plans of Braintree and Tendring have allocated an additional potential supply of at least 10% of homes over and above the Local Plan target.

The demographic starting point for Chelmsford (CCC) was 671 units a year or 705 units to meet job expectations. However, their adopted figure of 805 units per year reflects the fact that past provision of homes has not always met annual Plan targets. Taking this and other factors into account, CCC has adopted a 20% market signal uplift.

There are two principal approaches to meeting past unmet needs which must be added to the 5 year requirement;

1. Liverpool – spreading out evenly over the remainder of the plan period
2. Sedgefield – adding, in its entirety, to the 5 year requirement.

Neither the NPPF nor the NPPG set out a clear methodology for how the shortfall be addressed. However, the consensus of opinion and legal precedent indicates that LPAs should use the “Sedgefield” method for addressing the shortfall.

This would mean that the shortfall is addressed in the next five years of the plan period. For an authority like South Somerset for example this meant adding 998 new homes onto their 5 year target resulting in 925 new homes per year (rather than the 725 their evidence suggested.) An extra 200 homes per year would mean allocating more sites in Colchester or being vulnerable at appeal.

Consequences of not delivering Garden Communities

Colchester's housing provision to 2033 includes a total of 7,868 new allocations in addition to the 7,210 of existing commitments. The decision to consolidate longer-term growth has resulted in the proposed allocation of 2,500 units in two Garden Community sites within the plan period, which avoids the requirement to scatter this

significant number elsewhere in the Borough in a less sustainable piecemeal fashion. The Council would struggle to develop alternative options as they would either involve less sustainable large sites or, if spread around the Borough at a level of 50 sites of 50 units or 100 sites of 25 units, the requirement for each settlement in the Borough to take at least one additional site in addition to the growth already proposed. It would be likely that more sites similar to those at Battleswick Farm and Bakers Lane would come forward. It is difficult to plan for strategic infrastructure on smaller sites even when taken together they add up to the same total.