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**NEA/020**

Dear Sir,

Thank you for your letter of the 6<sup>th</sup> August 2020. Please accept our apology for a slight delay in responding.

In paragraphs 3 and 4 of your letter you ask the NEA's to confirm, based on the information submitted within the Stantec report, as to whether there has been a meaningful change in the housing situation for Braintree District. As set out in the conclusions of the Stantec report, there is no formal definition of meaningful change, it is a matter of planning judgement and balance. The NEAs have therefore had to carefully weigh up a number of factors.

The housing need study and minimum housing target for Braintree District of 716 per year has been considered by you throughout the examination and in your letters IED012 and IED022 that figure has been considered to be soundly based. Table 3.1 of the Stantec report includes a comparison of 6 different household projections for Braintree District. At the bottom end of these projections is the latest 2018 official projections at 357 and the top end is the 2014 projections which the Plan was based on, at 606. The table also shows the volatility in the yearly net migration figures which range from 9 in the latest official projections which is a clear outlier, with the remaining figures being between 271 (2018 5 year trends) and 567 (2014 official projections). The level of in migration is substantially lower in the official 2018 projections and it is not clear whether this is a trend or merely a moments snapshot.

Having noted the differences between the forecasts we needed to consider the elements of that decrease. Around 92 of those are related to trends for the flattening of mortality rates and these are expected to continue through future projections. However there are significant concerns of the stability of the 172 per year decrease relating to changes to internal migration. These are based on only two years of data and we know that this element of the projection will rise in the next release as shown in the data of the Stantec report in figures 2.1 and 3.4.

The Braintree Local Plan was submitted in October 2017 and is therefore being considered under the transitional arrangements of the 2012 NPPF. Almost three years have passed since this Plan was submitted and during that time you have twice considered housing need, and twice considered that the targets in the Local Plan are soundly based. During this time a new standard methodology has been implemented for determining housing need and a further revision to this methodology is currently being consulted upon. As such Objectively Assessed Need, its methodology and inputs have become a historic issue, and the base date of the housing need evidence of 2013 has become increasingly distant.

Given the time that has elapsed since the submission of the Local Plan, the Councils are extremely keen to move forward to complete the Local Plan, to provide the best possible planning basis for the Districts and indeed for North Essex. It is recognised that this matter could give rise to substantial delay and costs to the NEAs whilst this matter is being considered and on adoption of the Local Plan, a new methodology for calculating housing need would be in place.

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Having considered all these factors, the Councils continue to believe this is a finely balanced decision. However having weighed carefully all the evidence above, has concluded that at this time it does not believe there has been a significant change in the housing need situation for Braintree District which represents a meaningful change such that the presented figure would be unsound. Colchester Borough Council and Tendring District Council share this view with Braintree District Council. However we would welcome a clear expression of your view on this matter and we will take forward any next steps which you believe are appropriate to deal with this issue and to move the examination of the Local Plan forward as quickly as possible.

Turning now to the questions you raise on employment within paragraphs 6 and 7 of your letter; as you are aware from the Objectively Assessed Need Study, the NEAs considered both the EEFM 2016 and commissioned a run of the Experian model (2016) in order to provide a check on the potential accuracy of these forecasts. EEFM at that time forecast 702 homes per year to fill the increases in employment, whilst the Experian forecast was 461 new homes. The housing target for Braintree in the Local Plan was therefore derived from the household projections with a 15% uplift for market signals which was the higher figure at 716. This approach was considered and found to be acceptable in your letter IED012.

You will of course recall that the 2017 EEFM forecast (released in September 2018) was considered briefly during the reopened examination in January 2020. Those figures showed a reduction of 96 dwellings per year on the Braintree forecast (therefore reducing the forecast to 606 homes per year). However as set out in paragraphs 41 – 44 of your post hearing letter of May 2020, you did not consider that this forecast merited a change in housing figures at this time (particularly when it was considered in relation to Colchester).

The 2019 EEFM forecast has not been made publicly available at this time and we do not have a publication date for it. The NEAs have not considered it appropriate at this stage to commission a further run of the Experian model. Therefore the 2017 EEFM is the most recent employment led scenario.

As per your request in paragraph 8 of your letter, we have attached a note from Neil McDonald which sets out how the NMS 2019 Household projections have been calculated. This has been published with this letter, but please advise if you would like it added separately to the evidence base, under Housing.

Finally we would also like to draw your attention to two minor errors in the Stantec report, which have been corrected in the attached version. The error relates to the 2018-based housing need for Braintree. This figure should read 422 dpa, rather than the 443 shown in the report. This means that there is a reduction in the overall housing need of 13% rather than 17%. Both these changes are to paragraphs 2.8 and 4.3 of the report. Stantec apologises for this error.

We note and welcome your comments in paragraphs 9 and 15 of your letter which acknowledges the desire to move forward with the examination of the section 1 and the subsequent section 2 examination as soon as possible. However we also note the your concern about the approaches we had outlined in our previous letter. We would welcome any further views you may have on how to minimise these delays whilst giving appropriate consideration to this issue.

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We look forward to receiving your response shortly and taking the next steps to address these issues and move forward with the section 1 Local Plan.

Yours Sincerely

Emma Goodings Head of Planning and Economic Growth, Braintree District Council

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Gary Guiver Planning Manager, Tendring District Council