



RESPONSE TO CONSULTATION ON 2018-BASED HOUSEHOLD PROJECTIONS ON BEHALF OF BELLWAY HOMES LIMITED

1.0 INTRODUCTION

- 1.1 Bellway Homes Limited (Essex) has strategic land interests in Braintree District and AM-P submitted representations on the Company's behalf to the Section 1 – Strategic Plan for North Essex in July 2017. Bellway Homes are now in a consortium of housebuilders comprising Bloor Homes, Martin Grant Homes and Miller Homes, who are jointly promoting a strategic growth site on land to the east of Great Notley, South Braintree. The three other members of the consortium have each confirmed that they are in agreement with the representations made within this statement. The site is a proposed allocation in the Braintree Section 2 Plan to provide 1,750 dwellings in the plan period together with a range of other uses to support a new community. Although this proposal forms part of the Section 2 Plan, Policy SP3 of the submitted Section 1 Plan sets out the housing requirement figures for the plan period (2013-2033) for each of the North Essex Authorities (NEAs).
- 1.2 In the Inspector's letter to the NEAs of 27th June 2018 (IED/012), the Inspector concluded that the housing requirements in the submitted Plan were soundly based. This conclusion took into account that the submitted Plan took the 2014-based household projections as the starting point for assessing the housing requirement figures, plus consideration of the subsequent 2016-bases ONS projections. As stated in paragraph 7 of the Inspector's letter of 9th September 2020, it was concluded that there had not been a meaningful change in the housing situation and therefore the Plan's housing requirement figures remained soundly based.
- 1.3 In June 2020 the ONS published their 2018-based household projections and as a consequence the Inspector has invited responses to the two questions (a) and (b) below:



2.0 INSPECTOR'S QUESTIONS

(a) **Do you consider that the publication of the 2018-based household projections represents a meaningful change in the housing situation from the situation that existed when I produced my letter of 27th June 2018 (IED/023)?**

2.1 In respect of Colchester and Tendring, because the household projections in both periods 2013-33 and 2013-2037 show relatively minor changes to those based on the 2014 and 2016 projections, it is not considered that these represent a meaningful change in the housing situation from that that existed from the conclusions set out in the Inspector's letter of 27th June 2018. Indeed, for both Colchester and Tendring the 2018-based projections in each case for the period 2013-37 are closer to those in respect of the 2014-based projections compared with those of the 2016 figures.

2.2 The situation for Braintree is very different, because the projected household growth for 2013-2033 has fallen dramatically from:-

- 13,000 households in the 2014-based household projections, which the new Braintree Local Plan has used thus far; to
- 7,000 households in the 2018-based household projections.

2.3 This fall of approximately 6,000 households equates to a reduction of 46%. It appears that there are two main reasons for the fall:

- First, there is a technical weakness in the new projections, in that the base period for migration is only two years and this is then rolled forward into the future. This short base period makes the projections unstable, because migration fluctuates widely from year to year, and for Braintree (like many other local authority areas) it is the main driver of household change. This point is confirmed by the NEAs' specialist consultants, Stantec, at paragraph 4.4 of their report dated August 2020 (as attached to NEA/020).
- Second, the fall in migration over time probably results from constrained housing supply, given that since 2013 Braintree (unlike the other two NEAs) has not delivered enough housing to accommodate the household growth shown in the 2014-based projections.



2.4 Given these circumstances it would be perverse if the 2018-based projections were used to replace the 2014-based projections, particularly if BDC's historic under-performance in delivering housing land is compounded by justifying a reduction in future housing supply simply because it distorts the base projections.

2.5 Ordinarily this would have limited relevance to how housing need is calculated and to the plan-making process generally, because the National Planning Practice Guidance (PPG) explains, at reference ID: 2a-005-20190220, that:

“the 2014-based household projections are used within the standard method to provide stability for planning authorities and communities, ensure that historic under-delivery and declining affordability are reflected, and to be consistent with the Government’s objective of significantly boosting the supply of homes.”

2.6 However, BDC submitted its new Local Plan for examination in October 2017. It is therefore subject to the transitional arrangements at paragraph 214 of the 2019 National Planning Policy Framework (NPPF) and is being examined in accordance with the 2012 NPPF. As a result the Inspector explains in paragraph 5 and footnote 1 of his letter that an older version of the PPG (ie. reference ID: 21-016-2015027) should apply. This does not mention the 2014-based household projections and instead suggests that “... *the latest available information*” should be used to inform housing need assessments.

2.7 the NEAs wrote back to the Inspector on 31st July 2020 (NEA/018). While their letter stops short of requesting a 40%+ reduction in BDC's OAN for housing, various options are put forward including removal of the 15% uplift which will reduce the OAN by at least 93 dwellings over the 2013-2033 plan period.

2.8 This could have a significant adverse impact on both:

- i. The housing sites identified in the Section 2 Local Plan, some of which could be removed or reduced in scale as a result of the fall in OAN; and
- ii. Those sites being brought forward via planning applications based on Braintree's current five-year housing land supply shortfall, which would reduce or disappear if the OAN falls.



2.9 In our view it is doubtful that the Government intended to create a situation whereby:

- a local authority preparing a plan under the latest 2019 NPPF and **newer** version of the PPG is guided to use the **older** 2014-based population projections, which in most cases is higher; and yet
- a local authority preparing a plan under the previous 2012 NPPF and **older** version of the PPG, could take advantage of the **newer** 2018-based population projections to lower their housing need figure.

Instead this may be an unintended consequence of the various updates to the NPPF and PPG.

2.10 It also appears to be inconsistent with: the Government's objective to significantly boost the supply of housing; the Prime Minister's recent desire to build, build, build and to build back better; and, the Government's *Planning for the Future* policy paper (March 2020) which encourages greater building to make sure the Country is planning for the delivery of 300,000 new homes a year. This anomaly needs to be addressed through some form of updated guidance (whether that be an amendment to the PPF or a letter from MHCLG) to clarify the appropriate use of changes in household projections as a means of calculating OAN.

2.11 Notwithstanding this anomaly, for the reasons set out above and below, it is submitted that the Inspector's earlier conclusions in his letter of 27th June 2018 (IED/012) and 15th May 2020 (IED/022) are still justified and valid, ie there has not been a demonstrable and meaningful change in the housing situation.

2.12 This conclusion is supported by the conclusions of the NEAs independent demographic consultants, Stantec. In their report to the NEAs in August 2020 (as attached to NEA/020) Stantec's opinion on whether there has been a meaningful range is set out in paragraphs 4.10 to 4.15. They set out their comments on mortality and mitigation and conclude as follows:

4.14 *"In summary, the main reason why the projected housing growth went down is that the since the base date of the submitted plan the planned land supply has fallen short of the original projection. In other words, the assessed housing need from 2013*

onwards was correct. The reason why that need appears to have gone down is that it has not been met – a self-fulfilling prophecy.

4.15 Logically, this does not seem to justify a reduction in the assessed need from 2013 onwards, suggesting that the reduction in projected growth due to lower migration is not a meaningful change in the housing situation. How the North Essex Authorities respond to this reduction is a matter for planning judgement – which should take account of the analysis in this paper, and also of the implications of any course of action in terms of cost and delay”. (our emphasis)

2.12 Although finally, this is a matter for the Inspector’s planning judgement, for all the reasons above it is submitted that there is no justifiable reason to conclude that the 2018-based household projections represent a meaningful change in the housing situation.

(b) If so, what are the implications of that change for the soundness of the housing requirement figures in the submitted Section 1.

2.13 For the reasons above, it is our opinion that the Plan’s housing requirement figures remain soundly based.

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