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Brentwood Borough Council
Town Hall
Brentwood
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(Representations submitted by email to planning.policy@brentwood.gov.uk)

2nd October 2013

Re: Consultation on Brentwood Local Plan Preferred Options

Introduction

This letter is in response to the above consultation and provides Gladman Developments' representations. We understand that the current consultation seeks views on the Council's Local Plan Preferred Options. This follows previous consultations in 2009 and 2011 on the issues and priorities that the Council's Local Plan should seek to address.

The National Planning Policy Framework (The Framework) has been with us now for over a year and the industry is beginning to get to grips with its application and the need for some fundamental changes in the way in which planning operates. One such change relates to the need to significantly boost the supply of housing and how this fundamental requirement of the Framework should be reflected in the plan making process. Gladman, who operate on a national basis, have had the opportunity to become involved in a number of local plan preparation processes since the Framework was brought into force including participation in the Examination stage and have gained significant experience as a result.

What continues to be clear from this experience is that many local authorities have not fully addressed the requirements of the Framework when preparing their Local Plans and this has led to significant concerns being expressed by Inspectors on the soundness of their plans in their current format. The main concerns centre upon the requirement in the Framework to "use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area" (§47).

Objectively Assessed Housing Need

The process of undertaking an objective assessment is clearly set out in the Framework principally in §14, §47, §152 and §159 and should be undertaken in a systematic and transparent way to ensure that the plan is based on a robust evidence base.

The starting point for this assessment is set out in §159 which requires local planning authorities to have a clear understanding of housing needs in their area. This involves the preparation of a Strategic Housing Market Assessment (SHMA) working with neighbouring authorities where housing market areas cross administrative areas. The Framework goes on to set out the factors that should be included in a SHMA including identifying *“the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:*

- *Meets household and population projections taking account of migration and demographic change;*
- *Addresses the need for all types of housing including affordable housing and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes); and*
- *Caters for housing demand and the scale of housing supply necessary to meet this demand.”*

Key points that are worth noting from the above is that the objective assessment should identify the full need for housing before the Council consider undertaking any process of assessing the ability to deliver this figure. In addition, §159 specifically relates to catering for both housing need and housing demand within the authority area. It is worth pointing out that any assessment of housing need and demand within a SHMA must also consider the following factors; falling household formation rates, net inward migration, the need to address the under provision of housing from the previous local plan period, the preliminary results of the Census 2011, housing vacancy rates including the need to factor in a 3% housing vacancy rate for churn in the housing market, economic factors to ensure that the economic forecasts for an area are supported by sufficient housing to deliver economic growth, offsetting a falling working age population by providing enough housing to ensure retiring workers can be replaced by incoming residents, addressing affordability and delivering the full need for affordable housing in an area.

It is our understanding that a majority of the SHMAs that were prepared under the current guidance on SHMA preparation are not Framework compliant and do not consider the full range of factors that are outlined in §159. This is causing significant problems for authorities currently at Examination and therefore, to avoid this issue, SHMAs should be updated to take account of the Framework and ensure plans are based on robust and up-to-date evidence. Indeed, the Government have noted the deficiency in SHMAs and are updating the guidance on SHMA preparation to fully reflect the guidance given in the Framework.

Following the exercise to identify the full, objectively assessed need for housing in an area, the local planning authority should then seek to undertake the assessment outlined in §152 of the Framework. This states that *“Local planning authorities should seek opportunities to achieve each of the economic, social and environmental dimensions of sustainable development, and net gains across all three. Significant adverse impacts on any of these dimensions should be avoided and, wherever possible, alternative options which reduce or eliminate such impacts should be pursued. Where adverse impacts are unavoidable, measures to mitigate the impact should be considered. Where adequate mitigation measures are not possible, compensatory measures may be appropriate.”* This statement clearly sets out that local planning authorities should seek to deliver the full, objectively assessed need

and that this should be tested through the evidence base. Only where the evidence shows that this is not achievable should they then test other options to see if any significant adverse impacts could be reduced or eliminated by pursuing these options. If this is not possible then they should test if the significant adverse impacts could be mitigated and where this is not possible, where compensatory measures may be appropriate.

The final stage of the process is outlined in §14 and involves a planning judgement as to whether, following all of the stages of the process outlined above, “any adverse impacts of meeting the objectively assessed needs would significantly and demonstrably outweigh the benefits, when assessed against the policies in this framework taken as a whole or specific policies in this Framework indicate development should be restricted.” It is also worth noting that the final part of this sentence refers to footnote 9 which sets out the types of policies that the Government consider to be restrictive. These include “sites protected under the Birds and Habitat Directive (see paragraph 119) and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, Heritage Coast or within a National Park (or the Broads Authority); designated heritage assets; and locations at risk of flooding or coastal erosion”. Although this list is not exhaustive it is clear that local landscape designations, intrinsic value of the countryside, the character of areas, green gaps etc are not specifically mentioned as constraints.

Assessment of Housing and Economic Development Needs – Guidance Note

As the Council may already be aware, the Government has recently issued a guidance note to support local authorities in objectively assessing and evidencing development needs for housing (both market and affordable) and economic development. This document supports and provides further guidance on the process of undertaking such assessments as set out in the Framework. Gladman highlight the following key points from this document:

- Plan makers should not apply constraints to the overall assessment of need, such as limitations imposed by the supply of land for new development, historic under performance, infrastructure or environmental constraints
- Household projections published by the Department for Communities and Local Government should provide the **starting point** estimate of overall housing need
- Household projection based estimates of housing need may need adjusting to reflect factors affecting local demography and household formation rates which are not captured by past trends, for example historic suppression by under supply and worsening affordability of housing. The assessment will need to reflect the consequences of past under delivery and the extent to which household formation rates have been constrained by supply.
- Plan makers need to consider increasing their housing numbers where the supply of working age population is less than projected job growth, to prevent unsustainable commuting patterns and reduced local business resilience.
- If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan.
- Plan makers should take account of concealed households.
- Housing needs indicated by household projections should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Appropriate comparisons of indicators (land prices, house prices etc) should be made – with longer term trends in the HMA, similar demographic and economic areas, and nationally. Divergence under any of these circumstances will require upward adjustment to planned housing numbers.

- The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed, and the larger the additional supply response should be.
- Market signals are affected by a number of economic factors. Plan makers should increase planned supply by an amount that, on reasonable assumptions and consistent with principles of sustainable development, could be expected to improve affordability.

This guidance is a material consideration, and whilst limited weight can only be attached to it at this stage it is a clear indication of the Government's direction of travel to which the Council should pay due regard through the preparation of its Plan.

Housing Requirements

Policy S2 of the Council's Preferred Options sets out an overall housing requirement of 3,500 new homes over the Local Plan period 2015-2030, with the rate of development phased to deliver 200 dpa between 2015 and 2020 and 250 dpa between 2020 and 2030. Reviewing the Council's policy justification Gladman submit that this requirement is too low and is not justified by an adequate evidence base.

Gladman understand that a Council commissioned report recommends that a figure of between 331 and 362 dpa would be required to meet the borough's objectively assessed housing needs. The Council's preferred housing requirement does not appear to have been informed by this objective assessment or evidence demonstrating that a higher requirement could not be delivered. We note that fundamental elements of the Council's evidence base are yet to be finalised. This includes its objectively assessed housing needs study and a Landscape and Green Belt Assessment reviewing the potential to accommodate its housing needs. Until these studies have been published it will not be clear what the Council's actual housing requirement should be.

Gladman believe that further consideration needs to be given in relation to the proposed housing requirement to ensure that this is in line with the process for determining objectively assessed need as outlined in paragraphs 158, 159, 152 and 14 of the Framework. The Council should not be basing its housing requirement on what it considers to be deliverable or the now abolished East of England Regional Strategy. Gladman further note that the council is yet to publish an up-to-date SHMA identifying the full, objectively assessed housing needs for all types of housing in the borough.

With regards to your SHMA, as you are aware the Office for National Statistics recently issued interim-2011 based household projections. These should now be factored into your future housing scenarios to provide an up-to-date understanding of future housing requirements in your area. We consider that these projections should be used with some caution, as they are likely to have been influenced by short term issues affecting the housing market and economy, and that when these ease household formation rates are likely to return to a pre-recession trajectory over the longer term. However we note that even these conservative projections identify a requirement for 316 dpa in Brentwood.

Phasing

The Council intends to phase the overall Local Plan housing requirement and the release of housing sites. Gladman submit that unless there are clear justified reasons that warrant phasing, such as the delivery of infrastructure, the market should be allowed to naturally dictate the rate of housing that can be delivered.

Affordable Housing

The provision of affordable housing is a key priority that Council's seek to achieve through their Local Plan. However the only way to improve affordability is to provide housing. If the evidence base suggests that a certain level of affordable housing is required and the local planning authority are not seeking to address this through their Local Plan then the affordability gap will only get worse. Local Plan housing requirements should therefore reflect the full need for affordable housing provision as required by paragraph 47 of the Framework if addressing affordability is to be achieved.

Gladman note that the Council's proposed housing requirement is likely to significantly constrain the scope for addressing affordable housing needs in Brentwood. This supports the need to increase the Council's overall housing requirement.

The Council should note guidance set out in the Government's recent Assessment of Housing and Economic Development Needs guidance document in this regard, which states that *"The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the Local Plan should be considered where it could help deliver the required number of affordable homes"*.

Duty to Cooperate

It is important to stress that the process outlined above in relation to determining the objectively assessed need should be undertaken with full regard to the Duty to Cooperate as set out in §110 of the Localism Act. This ensures that if the needs of the authority cannot be fully met within their own area then the surrounding authorities agree to accommodate the shortfall or, if the surrounding authorities cannot meet their full need, then the shortfall is picked up within your authority.

The Council needs to undertake the Duty to Cooperate with meaningful results. If it does not adequately address its unmet housing needs through the Duty it runs the risk its Plan being found unsound and its approach would not be legally compliant.

Plan Period

The Framework sets out that Local Plans should be drawn up over an appropriate time scale, preferably a 15-year time horizon. Gladman note that once adopted it is likely that the Local Plan will not cover a 15 year period. Gladman submit that a Plan can only come into effect from the date of adoption. There would need to be compelling reasons to ignore the guidance set out in §157 of the Framework.

Spatial Distribution

In terms of Spatial Distribution, your authority has a number of different and distinct housing market areas. Each of these distinct areas will have their own requirement for housing and this should be reflected in the spatial distribution of housing supply within the Local Plan. This decision should be based on the findings of the evidence base and should not be a politically driven spatial strategy to put a disproportionate amount of housing in areas where people don't want to (and will not) live. If the spatial distribution does not reflect need/demand as shown by the evidence base, then the housing will not be delivered and the Plan will not be implemented. Following a dispersed spatial distribution pattern across a large number of settlements is also undesirable as this approach is not likely to be sustainable, will not be delivered and cannot generate the level of community benefits

that larger sites can to help make settlements more sustainable and fill important gaps in community provision.

Gladman are generally supportive of the Council's approach to direct development to main and local centre settlements. Growth should be distributed to sustainable locations in key settlements with established facilities, services and infrastructure. This is in accordance with the key theme running through the Framework of promoting sustainable development. However, this should not preclude development in lower order sustainable settlements, which could also help to sustain existing facilities and services. The level of growth directed to each settlement should be reviewed in light of meeting a higher housing requirement and their ability to accommodate sustainable, deliverable development.

The Council should distribute growth to a range of sustainable sites that will support the Council's strategy and deliver housing to meet the authority's needs. The Local Plan needs to provide sufficient flexibility to address situations where housing does not come forward as expected. In this regard it may be necessary to plan for the release of additional housing sites, and earlier in the Plan period, to maintain a five-year housing land supply. In some instances this objective may be best achieved through sustainable, deliverable sites that do not benefit from a formal Plan designation.

Viability

Several of the Local Plan's policies refer to developer contributions. In this regard Gladman remind the Council of their obligations in respect of ensuring the viability and deliverability of development in accordance with §173 of the Framework. This paragraph states that "Plans should be deliverable. Therefore the sites and scale of development in the Plan should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened". Any policy obligations should be founded on robust evidence and should not act to restrict development coming forward. The Council should prepare a viability assessment of the Local Plan's requirements.

Conclusions

What is clear from the Framework, and from the Government's agenda to **boost significantly** the supply of housing, is that the premise of the whole process is the assessment and delivery of the full, objectively assessed needs for housing in an area unless there are adverse impacts that would **significantly and demonstrably** outweigh the benefits. If the process set out in the Framework and highlighted above is not followed then the Council run the real risk of the plan being found unsound and this will create significant delay and uncertainty in the process.

All of our best interests are served by your authority getting a Local Plan found sound at the earliest possible opportunity, rather than us utilising considerable resources on preparing for and attending EIPs, preparing Judicial Reviews etc. This approach will put the authority back in control of planning in their area and will give the Members comfort and certainty over the level and location of development that will take place over the lifetime of the Plan.

If you decide to progress a strategy that is contrary to your evidence base you will be aware that early on in your process, you will need to provide a Consequences Report. These are necessary to justify any form of departure from the evidence base and to allow everyone to fully understand the consequences of following an alternative strategy.

Gladman have raised significant concerns in relation to the 'soundness' of the Local Plan (with reference to tests of soundness outlined in paragraph 182 of the Framework). The Local Plan does not provide a positive policy approach, is not supported by an up-to-date evidence base and in a number

of cases is not consistent with national policy. Key areas where Gladman raise concerns are summarised as follows:

- Housing requirement – Gladman submit that the Council’s proposed housing requirement is too low. Its preferred housing requirement does not appear to have been informed by an objective assessment of the borough’s housing needs or evidence demonstrating that a higher requirement could not be delivered. There are deficiencies in the Council’s evidence base. At this stage it is not clear what the Council’s actual requirement should be.
- Affordable Housing – Gladman note that the Council’s proposed housing requirement will significantly constrain the scope for addressing affordable housing needs in Brentwood. This supports the need to increase the Council’s overall housing requirement.
- Plan Period - Gladman note that once adopted it is likely that the Local Plan will cover less than a 15 year period. The Council would need compelling reasons to ignore the guidance set out in §157 of the Framework.
- Spatial Distribution – Gladman are generally supportive of the Council’s decision to direct development to main and local centre settlements. The Local Plan should direct development to a broad range of sites and provide flexibility to address situations where housing does not come forward as expected. It should allow for the release of additional housing sites, and earlier in the Plan period, to maintain a five-year housing land supply.
- Viability– Several of the Local Plan’s policies refer to developer contributions. Such policies should meet the requirements of §173 of the Framework. Any policy obligations should be founded on robust evidence and should not act to restrict development coming forward. The Council should prepare a viability assessment of the Local Plan’s requirements.

I hope you have found these representations constructive, if you require any further information or wish to meet with one of the Gladman team then please do not hesitate to contact me.

Yours faithfully

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Gladman Developments