

BRECKLAND COUNCIL

REPORT OF THE EXECUTIVE MEMBER FOR PLANNING, HEALTH & HOUSING to the CABINET: 8 DECEMBER 2009

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RESPONSE TO CONSULTATION ON THE REVIEW OF THE EAST OF ENGLAND PLAN TO 2031 – SCENARIOS FOR HOUSING AND ECONOMIC GROWTH

1. Purpose of Report

- 1.1 The purpose of this report is to consider the latest consultation paper on the review of the East of England Plan to 2031. The consultation proposes four growth scenarios to 2031 and this report sets out the implications of each of those scenarios for the District and a proposed response.

2. Recommendations

It is recommended that the Council/Committee:

- 2.1 Endorse Option 1 and submit the contents of this report as the basis of the Council's formal response to the Regional Assembly on the consultation on the review of the East of England Plan to 2031.

Note: In preparing this report, due regard has been had to equality of opportunity, human rights, prevention of crime and disorder, environmental and risk management considerations as appropriate. Relevant officers have been consulted in relation to any legal, financial or human resources implications and comments received are reflected in the report.

3. Information, Issues and Options

3.1 Background

- 3.1.1 Members will recall that the East of England Plan (the Regional Spatial Strategy for the Region) was adopted by the Government in May 2008. The Plan provides the strategic level growth framework for the Region and provides Local Authorities with high level housing and employment targets to which Local Development Documents are prepared against.
- 3.1.2 The East of England Plan is currently the subject of a focussed review to update the plan to an end date of 2031 and to refresh a number of policies contained within it, including housing numbers. The need for this review had been highlighted by the Government and responds to the need to plan strategically over a period of twenty years (2011-2031). Many Local Development Frameworks (including Breckland's) already plan beyond 2021 by virtue of the requirements of national planning policy which require planning for a fifteen year housing supply. There is also a need identified for a long-term regional strategy for the east of England.
- 3.1.3 Breckland Council was an active participant in the preparation of the current East of England Plan. However, since the current Plan was adopted, the Council has developed a significant evidence base to underpin the policies in the Core Strategy and justify the delivery of its' housing and employment figures as set out in the RSS. This evidence is essential to the understanding the ability of the district to deliver, in particular, further housing growth up to 2031.
- 3.1.4 Much of this evidence reflects the fact that the scale of development proposed in Breckland is a 'tight fit' based on the environmental and infrastructure capacity in the District, but as proven through the Core Strategy Examination in Public, this remains achievable and deliverable. However, the evidence gathered does highlight a number

of constraints that may affect the ability of the district to continue to grow at the same rate beyond that already planned for in the Core Strategy to 2026.

- 3.1.5 Members should note that the review of the East of England Plan is being prepared against a background of wider changes to Regional planning. The East of England Regional Assembly (EERA) currently intends to submit the document to the Government for independent Examination in Public by no later than March 2010. This has resulted in extremely short deadlines for Local Authorities to respond and limited time for the Regional Planning Body to review and respond to comments made.

3.2 HOUSING GROWTH SCENARIOS

- 3.2.1 The consultation proposes four housing growth scenarios based on different projections of the extent to which the Region needs to grow up to 2031. These scenarios have been produced in response to demographic changes over time as well as other factors such as migration from within and outside the UK. The following sections outline the different scenarios put forward and the associated impacts each of these will have for Breckland.

Scenario 1 - Existing RSS roll forward

- 3.2.2 Scenario 1 is a 'bottom up' approach that rolls forward the amount and distribution of housing in line with the adopted East of England Plan. However, in the case of Breckland's known environmental constraints a precise roll forward figure was not maintained and the figures represent a decrease in the annual rate.
- 3.2.3 It should be noted that scenarios 1-3 propose the same annualised figure and represent an overall decrease in the Council's annual dwelling completion rate, but retaining a growth target of 12,830 over the period 2011 to 2031. This compares to an existing target of 11,900 new homes to allocate in the Core Strategy and a Plan total of 19,211 homes to 2026.

Scenario 2 - National Housing advice and regional new settlements

- 3.2.4 Scenario 2 is based upon assumptions of those parts of the Region that have the capacity to accommodate additional growth to 2031. The figures put forward are still a slight increase despite representations from Breckland Council earlier in the process as to the Districts limited capacity to accommodate additional growth above the already challenging levels set out in the current RSS. This has been particularly highlighted through the examination of the Core Strategy which strongly scrutinised the levels of growth in the district and the ability to deliver the homes and jobs proposed.
- 3.2.5 It should be noted that scenarios 1-3 propose the same annualised figure and represent an overall decrease in the Council's annual dwelling completion rate, but retaining a growth target of 12,830 over the period 2011 to 2031. This compares to an existing target of 11,900 new homes to allocate in the Core Strategy and a Plan total of 19,211 homes to 2026.

Scenario 3 - National housing advice and Regional economic forecasts

- 3.2.6 Scenario 3 is based upon the economic potential of areas to accommodate growth, although it should be noted that these rates have been distributed across districts with a particular focus on Hertfordshire, south Essex and Cambridgeshire. This is contrary to EERAs earlier position of promoting individual District projections and housing levels as set out in their requests for strategic planning advice at the end of 2008.
- 3.2.7 It should be noted that scenarios 1-3 are the same annualised figure and represent an overall decrease in the Council's annual dwelling completion rate, but retaining a growth target of 12,830 over the period 2011 to 2031. This compares to an existing

target of 11,900 new homes to allocate in the Core Strategy and a Plan total of 19,211 homes to 2026.

- 3.2.8 This scenario results in an effective 'flattening of the delivery period for the levels of growth set out in the Core Strategy with a modest additional quantum of 900 new homes to be provided over that currently planned for. The resultant effect is that this change in delivery rates will reduce pressure on supporting infrastructure essential to deliver growth. This is also likely to result in more achievable development rates between 2011 and the end of the plan period.

Scenario 4 - National Household Projections

- 3.2.9 This scenario takes its scale and distribution of growth from Governments projections for new housing growth. This scenario represents the highest level of growth of all those presented in the consultation. This option is closely aligned with the figures previously considered earlier this year under the auspices of the 'NHPAU upper rates' which included demographic changes (particularly people living longer) and migration, along with expectations in respect of the need for increased dwelling supply to ease affordability as endorsed in Kate Barker's Review of the Planning System. This scenario focuses the majority of additional growth in Hertfordshire, Essex, Norfolk and Suffolk.
- 3.2.10 Scenario 4 represents an average annual increase of 220 dwellings above RSS rates for Breckland between 2011 and 2031, with a total dwelling target of 20,000 dwellings to be delivered in this period. This scenario would result in an additional increase of 8,300 dwellings* to be delivered in Breckland by 2031. This equates to an additional 220 dwellings p.a. for the period 2011-2026, plus a further 1,000 per annum for 5 years from 2026 to 2031 beyond the existing LDF period. The existing delivery rate for the district is 780 dwellings per annum to 2026 as set out in the adopted RSS.
- 3.2.11 There is no evidence to suggest that this scenario is deliverable in terms of known infrastructure and environment constraints. Additionally, it is considered that this scenario would result in a delivery rate that would be unsustainable over the period.

OPTIONS ON HOUSING GROWTH

- 3.2.12 The effect of scenarios 1-3 is that Breckland's growth target to 2026 is broadly carried forward to 2031, which equates to a similar growth total but spread over an additional five years. This results in a reduction in the annual dwelling completion rate from at least 780 units per annum, down to 640 units per annum. However, due to infrastructure constraints and slippage as a result of the recession, Breckland's existing housing trajectory peaks at considerably higher levels later in the LDF period than the RSS levels. As such, it is likely that relatively high delivery rates are still necessary in the District in order to provide the identified quantum of housing over the lifetime of the current plan.
- 3.2.13 The consultation poses a number of questions about the scenarios set out in the consultation. The following sections set out the consultation questions on housing and proposed response as follows:

Question 1 – Do you think we have chosen the right growth scenarios to consider? If not, what other scenario(s) should be considered and why?

- 3.2.14 It is considered that a broadly appropriate range of figures have been provided. However, there does not appear to have been an option tested based on environmental constraints, although it is noted that environmental conditions are referred to in the consultation. The inadequate Habitats Regulations Assessment of the previous RSS resulted in significant issues being passed down to District and Borough Councils to resolve.

3.2.15 It is considered that the review of the RSS to 2031 represents an opportunity to consider the environmental issues in greater detail than previously to ensure lower level plans (LDFs) are deliverable and are not burdened with the need for further testing of Regional level development figures.

Question 2 – Do you have any comments on the four growth scenarios?

3.2.16 The Council rejects scenario 4 and considers that this option is undeliverable and unachievable in the context of the environmental and infrastructure capacity available in the District to support new growth. This is consistent with the advice given to Norfolk County Council earlier in the year in respect of their advice to EERA. This view is supported by the considerable evidence gathered to inform the preparation of the Council's Core Strategy, particularly that relating to infrastructure capacity and significant effects upon European Habitats and Species.

3.2.17 Breckland District is the subject of a number of constraints in respect of the water environment which results in difficulties in the ability to treat and discharge waste water to a standard which would not harm receiving watercourses. At present, there is no evidence to suggest that further discharge above that already planned for in the Core Strategy can be treated to the appropriate standard within best available technology. This would result in this level of housing numbers would be undeliverable in terms of the water environment.

3.2.18 The evidence being developed in Breckland is not unique to the District. This will apply to growth scenarios that affect upper reaches of watercourses in the Region.

3.2.19 Furthermore, there are also well documented issues in respect of the effects of built development on European Habitats and Species found in Breckland (and other Districts that are covered by the Brecks SPA). These internationally important habitats and species place a significant constraint on the District's ability to accommodate further growth above that currently planned for.

3.2.20 It is considered that Option 4 is undeliverable and unsustainable in the Breckland context.

Question 3 - Which is your preferred growth scenario and why?

3.2.21 It is recommended that the Council endorses growth Scenario 3 despite the variation in the proposed housing level (+900 dwellings) as previously indicated in the advice given to Norfolk County Council as the strategic advisor to the Regional Planning Body (see Cabinet minute 9/09). It is considered that the additional 900 dwellings (45 dwellings per annum from 2011-2031) could be accommodated in sustainable locations across the district over the period and would not compromise infrastructure and environmental capacity.

3.2.22 Although the phasing of development set out in the Core Strategy indicates that the significant annual completion rates are not expected until later in the Plan period (post 2019), the current recession has also resulted in further slippage behind expected completion rates over the last two years projections in the housing trajectory. Therefore, in any event this shortfall since 2001 will result in an increase in the annual residual rate than previously calculated. Although option 3 would reduce current annual housing delivery rate for the District, the overall increase in dwelling provision will not adversely affect the significant annual delivery rates and help to maintain a 'flatter' delivery trajectory later in the LDF period. This is considered a realistic approach to housing delivery based on known constraints in the district.

OTHER CONSULTATION QUESTIONS

3.2.23 There are also some additional questions on other aspects of the review. The key

questions that require a response are highlighted below along with officers recommended comments:

Question 4 – Have all regional impacts of four growth scenarios been identified? If not, what else should be addressed?

- 3.2.24 The consultation recognises Breckland as a biodiversity 'hotspot' within the region which is welcomed, particularly in light of the complexities associated with delivering growth in this area and impact on European Habitats and Species. However, Breckland Council expects to see a more thorough and evidence Habitats Regulations Assessment at the Regional level in order to ensure that growth targets proposed in the RSS are deliverable in the context of the Habitats Regulations and not devolved down to individual districts.
- 3.2.25 However, very limited consideration appears to have been given to the water environment and in particular Waste Water treatment which is a key issue for Breckland. This is particularly important in regards of the ability to treat waste water from new growth to standards in the forthcoming Water Framework Directive. Paragraph 4.32 of the consultation admits to a lack of information on water quality. It is considered that without understanding the detail of Water Cycle Studies, an informed regional view of the capacity of receiving watercourses to accommodate additional growth cannot be given.
- 3.2.26 There is a clear need for Regional evidence on waste water and water quality, particularly in respect of phosphates which is highlighting a Regional concern not just a local.
- 3.2.27 Despite the environmental and infrastructure issues affecting the East of England, Breckland Council would like to see the Review of East of England respond to the demographic changes and the increasing requirement to meet housing need, particularly affordable housing. Without further regional evidence on environmental capacity or strategic funding for regional infrastructure (particularly water and energy) it is unlikely that rural District's such as Breckland will be able to accommodate increasing demand for affordable housing.

Question 6 – Does the Council have evidence to suggest policies other than those identified need to be updated/ created?

- 3.2.28 Yes, evidence from the Council's Core Strategy preparation/ examination reveals that there will be a need to revise policy TH.1 of the RSS to reflect the latest evidence and Inspectors findings in respect of growth in Thetford. The revisions should reflect the latest position in respect of European Habitats and Species and the impact this may have on the ability of the town to grow beyond 2026 as a consequence.
- 3.2.29 There will also be a need to revise other policies that may have an adverse impact on the wider Breckland SPA, including growth in the Greater Norwich area, Bury St. Edmunds and Forest Heath.

NEXT STEPS

- 3.2.30 The timetable for the production of the RSS review is particularly short. As such, EERA are currently anticipating submitting the document for Examination by no later than the end of March 2010, and it is currently expected that the intended adoption of the document would be in 2011 onwards.
- 3.2.31 Members are advised that the next opportunity to comment on the review of the East of England Plan will be at the pre-submission publication stage. At this point comments will only be invited on the soundness of the document presented.

3.3 Options

3.3.1 There are two options available:

1. Endorse the contents of this report (including support for growth scenario 3) as the Council's formal response to the RSS review consultation.
2. Object to the consultation document, and suggest an alternative option be submitted that utilises a more strict interpretation of the earlier presented GVA controlled housing figures (i.e. no net additional dwellings to 2031) that was previously endorsed by Cabinet in January 2009 and reflect these under consultation question number 1.

3.4 Reasons for Recommendation(s)

3.4.1 Endorsing growth rates proposed at in the consultation paper under 'Scenario 3' is considered a reasonable option in providing for new housing growth in the District to 2031. The additional quantum of housing proposed could be accommodated in the period up to 2031 and would provide some flexibility in the distribution of this additional housing through future reviews of the Core Strategy Development Plan Document.

3.4.2 However, the ability to accommodate this growth is dependant upon the resolution of key infrastructure constraints identified through the production of the Core Strategy, particularly in respect of energy, water supply and waste water treatment capacity.

4. **Risk and Financial Implications**

4.1 Risk

4.1.1 The Risk Management questionnaire has been completed and this report does not require a risk assessment because the changes/issues covered by the recommendations are not significant in terms of risk.

4.2 Financial

4.2.1 None

5. **Legal Implications**

5.1 None.

6. **Other Implications**

- a) Equalities: There are no equalities implications.
- b) Section 17, Crime & Disorder Act 1998: None.
- c) Section 40, Natural Environment & Rural Communities Act 2006: None.
- d) Human Resources: None.
- e) Human Rights: None.
- f) Other: None

7. **Alignment to Council Priorities**

7.1 The Site Specific Policies and Proposals Document will contribute to the following Council Priorities:

- Building Safer and Stronger Communities

- Environment
- Prosperous Communities

8. Ward/Community Affected

- 8.1 Affects all Wards/ Parishes in Breckland by virtue of proposing ranges of new District-wide housing figures.

Background Papers

East of England Plan to 2031 – Scenarios for housing and economic growth (consultation September 2009)

East of England Plan (adopted May 2008)

Regional Spatial Strategy review to 2031 report to Cabinet (13th January 2009)

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Key Decision Status (Executive Decisions only):

This is a key decision as indicated on the Forward Plan.

Appendices attached to this report:

None