
Land adjoining The Gables, Kelvedon Road, Tiptree, CO5 0LU

Housing Need, Requirement and Supply

Summary Proof of Evidence of Mr Sam Hollingworth MRTPI

PINS Reference:
APP/A1530/W/21/3278575

Colchester Borough Council Application Reference:
190647

Summary of Proof of Evidence

1. The North Essex Authorities' Shared Strategic Section 1 Plan (LPS1) provides strategic policies pertaining to housing requirements for Colchester Borough, and was adopted February 2021.
2. Notwithstanding LPS1's relatively recent adoption, it was examined in relation to the 2012 NPPF under the NPPF's transitional arrangements.
3. The relevant strategic policy is Policy SP4. This sets a housing requirement of 920 dwellings per annum (dpa) for the Borough; and a minimum housing requirement for the period 2013 – 2033 of 18,400 dwellings.
4. Policy SP4 states that these figures will be used for the purposes of assessing the LPA's five-year housing land supply, subject to any adjustments to account for undersupply since 2013; but also that:

“The authorities will review their housing requirements regularly in accordance with national policy requirements, and in doing so will have regard to the housing needs of the wider area”
5. Policy SP4's housing requirements reflect the findings of the Braintree, Chelmsford, Colchester, Tendring Objectively Assessed Housing Need Study (OAHNS) (November 2016 update). This study sought to identify the objective assessed housing needs of the four administrative areas, in accordance with the 2012 NPPF.
6. As the LPS1 has been adopted within five years, the NPPF requires Colchester's five-year housing land supply position – and whether the 'tilted balance' is engaged as per NPPF paragraph 11(d) – be considered in relation to the requirement of 920dpa it sets.
7. Against the LPS1 housing requirements, the Council is able to demonstrate a five-year housing land supply.
8. However, case law confirms that the NPPF policy objective of significantly boosting the supply of homes does not cease to apply simply because a Local Authority is able to demonstrate a five-year housing land supply.
9. In addition, it should be noted that the housing requirement against which Colchester's five-year housing land supply is calculated was not formulated in accordance with current national policy, and instead was based on a now outdated approach to assessing housing needs.

10. Furthermore, data available to the OAHNS 2016, which informed calculation of the LPS1 housing requirements, included that which is now over 11 years old. Even the most recent data is 6 years old.
11. Utilising the data it had available to it at the time, the OAHNS 2016 identified a demographic starting point of 866dpa in the assessment of Colchester's housing need; a need to apply a 6% due to expected employment growth; but no need for an uplift to account for market signals.
12. The justification for the zero market signals uplift was:
 - The affordability ratio was only slightly above national average;
 - House prices and private rent costs were well below national averages;
 - Completions had exceeded Plan targets.

13. Latest data available now shows that:

- Affordability of housing has significantly worsened in Colchester since 2015, and to a much greater degree than the national average, as shown in the table below:

Area	Affordability ratio (median house price to median workplace-based earnings)		
	2015	2020	% change
Colchester	8.36	9.45	+13.0%
England	7.11	7.15	+0.6%
% difference	17.6%	32.2%	

- Colchester's average house prices are no longer well below the national average. Average house prices in Colchester have increased at a much greater rate than the national average since 2016. Latest available data suggests the median house price in Colchester is 7.1% *greater* than the average for England.
- Similarly, the cost of private rent has increased at a much greater rate than the national average. Latest available data suggests the median cost of private rent is 9.3% *greater* than the national average.

- The worsening of housing affordability has occurred over a period in which completions in Colchester have consistently exceeded housing targets, suggesting that the housing targets are not sufficient to address market conditions and improve affordability.
14. The basis of the OAHNS 2016's conclusion that no market signals uplift should be applied to Colchester's demographic starting point no longer apply.
 15. The affordability ratio is no longer only 'slightly' above the national average – it has worsened at a substantially greater rate than the national average.
 16. House prices and rents are no longer "*well below*" national averages. On the contrary, depending on how average is considered, they are now above average.
 17. The delivery record in Colchester in recent year has enabled a 'real world' testing of the housing requirement set by the LPS1 to see if it will improve affordability, and it is manifestly the case that it is failing to do so. Whilst housing delivery has been consistently strong against the LPS1's housing requirements for a number of years, affordability has continued to worsen and market signals continue to suggest a lack of supply. This gives rise to significant concerns to how effective the adopted housing requirement is in meeting actual needs.
 18. Current local housing need calculated using the Standard Method as per the NPPF and its accompanying guidance suggests a minimum housing requirement for Colchester of 1,061dpa. For the purposes of determining whether or not the Council is able to demonstrate a five-year housing land supply and the titled balance is engaged, it is not required in this instance to consider the requirement against the figure generated by the Standard Method. However, this does not mean that the housing land supply position when considered against such a requirement is not material, particularly in light of the aforementioned circumstances regarding the current adopted housing requirement.
 19. If Colchester's five-year housing land supply were to be measured against the figured derived from the Standard Method, the Council would have a 4.98-year housing land supply.
 20. Having regard to all of the above, the Appeal proposal's provision of housing constitutes a benefit that should be afforded very significant weight in its favour.
 21. Separately, the NPPF emphasises not only the need to ensure sufficient land can come forward to provide homes where they are needed, but also the need of groups with specific housing requirements including those who require affordable housing.
 22. The OAHNS 2016 calculated an affordable housing need of 267dpa. This represents the most up-to-date calculation of affordable housing needs available to the Council. Given worsening affordability since this requirement was determined identified, the need for affordable housing is unlikely to have reduced.

23. Between 2013 and 2021 48% of the Borough's affordable housing needs were met, resulting in a total shortfall over this period of 1,115 affordable homes.
24. In order for affordable housing need to be met in full over the period 2021-2026, including addressing this shortfall in full, it would be necessary to deliver a total of 2,450 affordable homes.
25. The Council's published trajectory does not indicate how much of the purported five-year supply comprises affordable homes.
26. 2,450 affordable homes would represent 44% of the Borough's total projected housing supply. Since the start of the plan period, the proportion of homes provided as affordable has averaged 13.1%. If delivery 2021-2026 were to continue at this rate, one could expect provision of 726 affordable homes over this period. This falls substantially short of the identified need, even before one accounts for any shortfall.
27. The emerging Local Plan Section 2 requires 30% affordable housing provision on sites comprising 10 or more dwellings. In the event that the entirety of the reported five-year supply were to come forward on sites comprising 10 dwellings more, providing 30% affordable housing (an improbable scenario) this would still only deliver 1,664 affordable homes.
28. Across the plan period as a whole (2013-2033), the identified affordable housing need totals 5,340 dwellings. For the remainder of the plan period for which completion figures are not available (2021-2033), and accounting for shortfall 2012-2021 this equates to a need of 4,319 affordable homes, or 360dpa. Even if all homes in the remaining plan period were to be delivered through sites comprising 10 or more dwellings, and which were viable to provide 30% affordable housing in full, it would be necessary to deliver 1,200dpa in total to engender delivery of 360 affordable homes per annum.
29. The OAHNS 2016 did not consider affordable housing needs at a sub-Borough level.
30. Whilst it is difficult to quantify the scale of affordable housing need for Tiptree, there is evidence of local need.
31. Having regard to the affordable housing position in Colchester Borough, the provision of affordable housing through the Appeal represents a significant benefit of the proposed development that should be afforded very substantial weight in its favour.