

## **Rochford District Council Rochford Core Strategy - Statement on housing following revocation of East of England Plan**

I write with reference to your letter of 14<sup>th</sup> June 2010, seeking Rochford District Council's views on the Rochford District Core Strategy in light of the reissuing of PPS3 with amendments, and the Government's commitment to rapidly abolish regional strategies. Thank you for the opportunity to comment.

On 6<sup>th</sup> July 2010, the Secretary of State for Communities and Local Government announced the revocation of Regional Strategies with immediate effect. This statement takes account of the Secretary of State's letter and accompanying 'question and answer' advice.

In broad terms the advice is that local planning authorities should carry on delivering local development frameworks and making decisions on applications. It is also relevant to note that the advice suggests that, moving forward, Local Authorities will be responsible for establishing the right level of housing provision for their area, and justifying such decisions. In this response, the Council has reviewed the housing numbers included within the Core Strategy to determine whether they are still appropriate in light of the revocation of the East of England Plan.

The advice from DCLG also makes clear that the evidence base prepared for Regional Strategies may still be of relevance, notwithstanding the revocation of the plans. As such, the Council is of the view that the draft review of the East of England Plan (RSS31) looking forward to 2031 merits consideration in the process of assessing future housing need in the district. RSS31 was agreed by the Regional Assembly and submitted to government for approval in March 2010. The draft plan proposed revised housing figures for the period 2011-2031, having regard to the views of stakeholders (including Rochford District Council) and supported by Sustainability Appraisal and Habitats Regulation Assessment. This document is attached as Appendix 2.

The Council's response to the reissuing of PPS3 and the revocation of Regional Strategies is set out in turn below.

It is understood that the Inspector is proposing an additional hearing session in early September to consider the implications of the Secretary of State's decision to revoke regional strategies and the Council would support this proposal. This paper sets out details of the Council's intended direction of travel.

## Implications of the reissuing of PPS3 with amendments

### **A. The definition of previously developed land in Annex B now excludes private residential gardens**

This change does not directly affect the Core Strategy. It does, however, give added weight to the Council's concerns vis-à-vis town-cramming.

### **B. The national indicative minimum density of 30 dwellings per hectare is deleted from paragraph 47**

This change does not significantly affect the Core Strategy.

Revisions to PPS3 have not introduced a maximum density, nor have they set a new minimum. PPS3 still requires Local Planning Authorities to ensure the efficient use of land.

The Core Strategy seeks to deliver sustainable development which both makes use efficient use of land and respects the character of the area in which it is situated.

The Core Strategy does not specify densities of development. The evidence base that underpins the Core Strategy, in particular the Strategic Housing Land Availability Assessment does make reference to specific densities. However, these have been set on a site-by-site basis, having regard to the particulars of the locale in question, and are thus not affected by changes to PPS3.

## Implications of the revocation of the East of England Plan

In the view of Rochford District Council, the primary implications of the revocation of the East of England Plan relate to the issue of housing numbers in the District, and the establishment of an appropriate and acceptable level of local housing need.

In such circumstances it is considered appropriate to revisit the issue of housing need in the District, to determine if the numbers in the Core Strategy are still appropriate, irrespective of the status of the RSS.

This issue is considered under the following headings:

- Housing Need and Demand;
- Environmental Capacity and Physical Constraints;
- Relationships between the District and Neighbouring Areas;
- Economic Development
- Infrastructure

## 1. Housing Need and Demand

The option 1 housing numbers (East of England Plan) included in the Core Strategy Submission Document would meet need arising from population growth and household change.

## 2. Environmental Capacity and Physical Constraints

The concept of environmental capacity refers to the capacity of the environment to perform its natural functions. An environmental limit is the level at which the environment is unable to accommodate a particular activity without sustaining unacceptable change.

Clearly any development will impact on environmental capacity through the take-up of land, use of resources etc.

During the Examination in Public of the draft East of England Plan, concerns were raised by some participants that the scale and location of development proposed in the draft would exceed the capacity of the region to accommodate it, particularly in terms of environmental limits. As a result EERA commissioned Land Use Consultants and Cranfield University to produce a study examining this issue entitled Environmental Capacity in the East of England Draft (published June 2007).

This study noted that there is not even a clear understanding of what is meant by environmental limits, let alone how impact on these can be measured. The study suggested that in fact what constituted a “limit” may be somewhat subjective. It suggested a methodology to be applied to determine environmental capacity, but neither it nor any other subsequent studies were produced which robustly concluded that the quantum of development proposed for the region were acceptable in terms of environmental capacity. It should be noted that the Habitats Regulation Assessment for the Rochford District Core Strategy identifies that the way in which the Core Strategy proposes to distribute and manage development will ensure that there is not an unacceptable impact on European Sites.

As highlighted in the Strategic Environmental Baseline Information Profile, Rochford District contains large areas that are particularly sensitive to development and subject to physical constraints which limit / prohibit development. The Strategic Environmental Baseline Information Profile was an important background document in the sustainability appraisal of the Core Strategy.

Sustainability appraisal is concerned with promoting an integrated approach to sustainable development – covering social, economic and environmental issues. As such, rather than identifying thresholds or limits to development, its purpose is to report on whether development proposals will move towards or

away from sustainability (including environmental) objectives. Whilst sustainability appraisal does not, therefore, represent a tool for ensuring that environmental thresholds are not breached, it does aid in the consideration of such issues.

A Sustainability Appraisal has been carried out for the Rochford District Core Strategy. Through the Core Strategy, Rochford District Council has sought to direct development in a manner which would minimise any negative impact on the environment. The Sustainability Appraisal concluded that:

*“In terms of the quantum of housing development proposed on urban extensions, the policy performs poorly on a number of environmental grounds, **an inevitable consequence of increased development growth and population growth (although it is noted that the overall quantum is provided in the East of England Plan and is beyond the control of Council)**. This must be weighed against the social and economic outcomes of the policy, which are beneficial, particularly in relation to the provision of affordable housing in the District.” (para 5.15, emphasis added)*

And:

*“The actual locations for growth proposed in the policy are considered to be the most sustainable options available, **within the context of the overall high levels of population growth being proposed in the East of England Plan**. The policy recognises the distinctive landscape and biodiversity areas in the District, (including coastal landscapes and flood-prone areas in the east of the District) and takes an approach to development that minimises impacts on these areas through steering development toward the more developed western side of the District.” (para 5.15, emphasis added)”*

In short, the Sustainability Appraisal concludes that the policies proposed in the Core Strategy represent the most sustainable approach to distributing the quantum of development allocated to the Council, but raises concerns in respect of that actual quantum.

In addition to the Sustainability Appraisal, Habitats Regulations Assessment of the Core Strategy was undertaken in accordance with the Habitats Directive. Natural England’s response to this – although clear that the proposals in the Core Strategy can be implemented in a manner which will ensure compliance – demonstrates how development in Rochford District must be carefully managed to avoid detrimental impact on the European sites in and around the District.

It is pertinent to note that the East of England Plan, which set development quantum for the District to 2021, was subject to Habitats Regulation Assessment and sustainability appraisal.

With that in mind, it is also important to note that, as identified in the Core Strategy, the majority of the District's housing requirement resulting from the East of England Plan allocation would have had to be accommodated through development in the Green Belt. Whilst the term 'Green Belt' refers only to a planning policy designation and not to any definition of land quality, it is expected the larger proportion of land to be allocated will be on greenfield sites, though there is some contribution from previously developed land and degraded land.

Given the array of physical constraints and environmentally sensitive areas in and around the District and the results of the Core Strategy Sustainability Appraisal, it would certainly not be appropriate to promote levels of development above the quantum set out in the now revoked East of England Plan. Furthermore, the quantum of development to be delivered in the district should be set as a maximum and not a minimum as was the case.

### **3. Relationships between the District and Neighbouring Areas**

The SHMA (2008) ascertained that South Essex is a single, functional, sub-regional housing market that can be defined as stretching from the M25 along the Thames Estuary to Southend and Shoeburyness. Strong inter-dependencies between the towns in the sub-region in terms of household movement and travel to work patterns support the identification of this area as a housing market.

As identified by the SHMA, there are strong inter-relationships between Southend and Rochford, Rayleigh, Hockley and Benfleet. These areas function collectively to provide a fairly comprehensive housing offer.

The Rochford District Employment Land Study and Retail and Leisure Study demonstrate the strong relationship between Rochford District and Southend, Chelmsford, Basildon and London. A significant proportion of the District's population utilise the services and facilities in these areas, and rely on them for employment. Figure RNA1 below, taken from the Rochford District Economic Development Strategy, shows the extent of out-commuting in the District and the relationship with neighbouring areas in 2001.

Area	To Rochford		From Rochford	
	#	%	#	%
Rochford	13,598	50	13,598	36
Southend	4,337	16	8,623	23
Elsewhere in Essex	4,120	15	7,892	21
London	352	1	6,731	18
Other	4,834	18	9,470	25
<b>Total</b>	<b>27,241</b>	<b>100</b>	<b>37,691</b>	<b>100</b>

Figure RNA1 – Travel to work patterns, 2001

The nature of the District engenders the potential to position Rochford District as the ‘green part’ of the Thames Gateway South Essex sub-region. The Thames Gateway South Essex Partnership’s ‘Delivering the Future’ strategy identified Rochford District’s role as the area for leisure, recreation and tourism. The high-quality environment in the District is seen as making the area attractive to inward investment, particularly in the service sector, but it is clear that Rochford District is not viewed as the most appropriate and sustainable area within the sub-region for significant employment and housing growth.

Whilst the Core Strategy proposes measures to reduce reliance on out-commuting for access to jobs, facilities and services, the District is not an island and the characteristics of surrounding areas suggest that the nature of the relationship, the hierarchy of settlements within the sub-region, is unlikely to alter significantly. When seeking to match the provision of services, facilities and jobs to housing numbers, there are other areas within the sub-region and housing market area more suitable for housing growth. When issues such as the high reliance on the private car for residents in the District are factored in, there is also a sustainability argument for redirecting some of the housing demand in the District to more sustainable locations in the housing market area.

Rochford District’s role in providing housing for the sub-region was recognised at the regional level through the draft RSS31, which was approved by the Regional Assembly. Although RSS31 proposed an increase in the rate of house-building in the region as a whole, it also stated that there should be a reduction in delivery rate in Rochford, down from 250 dwellings per year to 190 dwellings per year from 2011 to 2031.

## 4. Economic Development

As identified within the SHMA 2008 there are major potential economic drivers in the housing market area comprising sub-region. The most substantial of these is London Gateway; but significant planned growth in Basildon and Southend will also support housing demand and provide opportunities to re-profile the housing mix. The SHMA 2008 states that there is a notable opportunity across the Sub-Regional Housing Market to improve the jobs-home balance to manage commuting patterns. Supported by broader regeneration programmes, there is an opportunity to develop and improve the housing offer over time. This will require investment in quality of place, including education and town centres.

The SHMA 2008 concluded that a significant part of the function of the TGSE Housing Market is as a commuter location to support London. The SHMA 2010 Update stated that this remains the position.

As noted at paragraph 2.23 of the SHMA 2010, the current analysis identifies Basildon, Southend and Thurrock as the larger economic centres, which will contribute the most to future employment levels, with Castle Point and Rochford projecting more modest increases (as illustrated in Figure ED1 below)

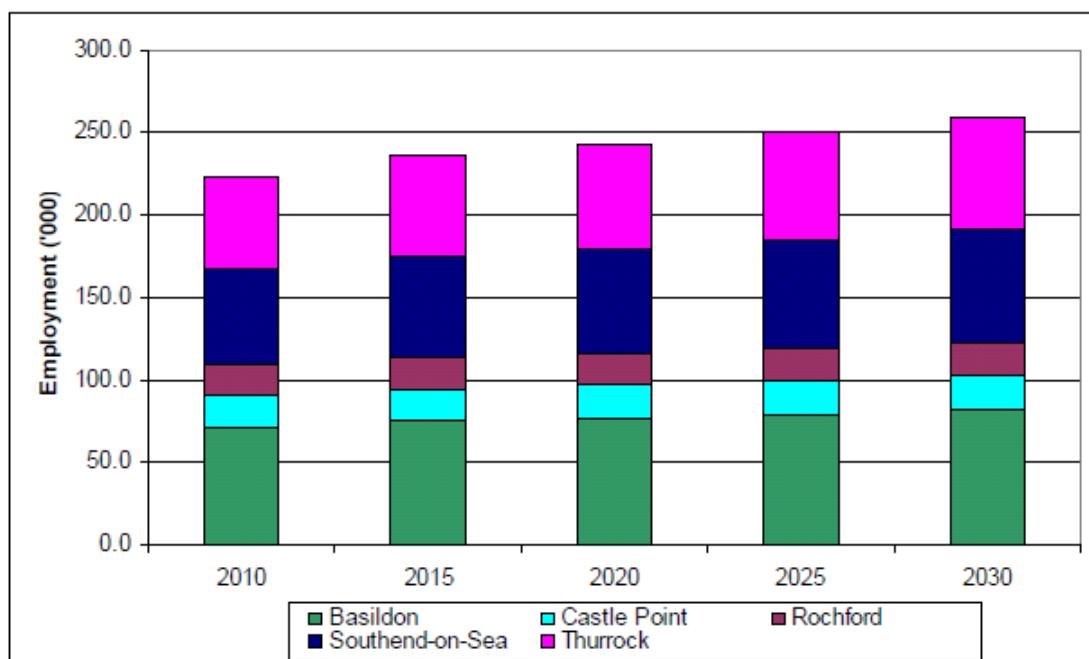


Figure ED1 – Projected levels of employment growth in South Essex housing market area

With the notable exception of London Southend Airport, which is recognised as a catalyst for economic development in the sub-region and around which, through the emerging Joint Area Action Plan, a number of jobs for Rochford District / Southend Borough will be generated, the majority of economic development opportunities and employment growth within the housing market area is projected to occur outside of Rochford District. This is reflected in the

fact that only a small part of Rochford District is within the Thames Gateway, whereas other districts / boroughs within the housing market area sit fully or predominantly within it. Furthermore, Rochford is the least accessible of the Districts / Boroughs in the sub-region to London. Having regard to all of the above, and mindful of the desirability of matching homes to jobs, there is a strong argument that any growth in the housing market over provision for the local needs of the area should be redirected through active intervention by policy makers to other locations within Thames Gateway South Essex, notwithstanding the recent trends which have formed the basis of demand calculations in the SHMA 2008/2010.

## **5. Infrastructure**

The responses from service providers have made it clear that the requisite infrastructure to support the levels of development set out in the Core Strategy can be provided. It is pertinent to note, however, that other areas in the housing market area, particularly Thurrock, Basildon and Southend have a greater local provision of services, facilities and social infrastructure and, based on recent trends, likely to be the recipients of relatively greater levels of infrastructure in the future, notwithstanding spending cuts, due to their importance in the sub-region.

### **Overview of implications of the revocation of the East of England Plan**

The revocation of the East of England Plan provides a welcome opportunity to reconsider the total housing numbers to be accommodated within Rochford District. Whilst the numbers identified in the East of England Plan for Rochford were informed by consideration of projected need and demand, though accepting that Rochford is not an appropriate location for housing growth, it is not clear that full account was taken of the relationship between Rochford District and surrounding areas (particularly within the same housing market area), concerns with regards to sustainability, and the array of environmental and physical constraints the District is subject to. This point is further emphasised in the findings and conclusions in draft RSS31, which despite promoting overall greater housing numbers, proposed a reduced annual provision for Rochford.

Taking account of the detailed work that has been carried out on housing need and the constraints on the district, it is proposed the Rochford District Core Strategy is amended such that it provides for the delivery of 190 dwellings per annum up to 2031, a total maximum of 3,800 units between 2011 and 2031.

The proposed changes would result in overall quantum as per the Core Strategy Submission, but delivered over a longer period of time. The spatial aspects of the Submission strategy are considered sound and these would remain unchanged, ensuring the Submission document still represents a



cogent, holistic strategy. The temporal aspects would be altered, but these are not considered critical to the integrity of the Core Strategy as a whole.

The five-year housing supply figure, based on an annual delivery of 190 units, would be 950 units, and the housing trajectory would be adjusted to reflect this lower, more realistic figure.

The revised housing total will have implications for the delivery of affordable housing in the district. Taking account of the SHMA 2008/2010, there is a requirement for the delivery of 196 affordable units per annum. This is a very high figure when set against the mechanisms for the delivery of affordable housing. The viability assessment suggests that a realistic percentage for the delivery of affordable housing as a proportion of all housing is currently of the order of 30%. This may rise to around 35% in the longer-term, as the relationship between house-prices and build costs reverts to the long-term trend. That being the case, the total number of affordable units to be delivered over the next twenty years would be between 1140 and 1330 units, or 57- 67 units per annum.

### **Implications for green belt release**

The latest AMR (published December 2009), having regard to the SHLAA, established a housing-land supply of sites outside of the Green Belt that will deliver 1389 dwellings from 1<sup>st</sup> April 2009 onwards.

Therefore, with an annual requirement of 190 dwellings, there is a balance of 2791 units to be provided on Green Belt land up to 2031. This figure relates closely to the requirement set out in the Core Strategy of 2785 units in the period to 2025.

In addition, the elongating of the time horizons, together with the expression of the housing figures for Rochford District as maxima, will enable the Local Planning Authority to carefully monitor the supply of housing in the District and account for development occurring over the plan period from other sources, thereby avoiding any unnecessary loss of Green Belt land.

### **Conclusions**

There is a very considerable requirement for the delivery of affordable homes in the district based on an up to date assessment of local housing needs (SHMA 2008/2010).

The level of need is 196 dwellings per annum or 78% of the total housing allocation set out in the Rochford Core Strategy Submission Document.

The draft Rochford Housing Viability Assessment 2010 suggests that a current realistic figure for the delivery of affordable homes is 30% of the total of homes delivered, which may rise to 35% in the long-term.

The district is limited in its capacity to accommodate new development by environmental and physical constraints.

There is a local housing need. The populations and household formation projections for the district show that additional housing will be required as a result of the changing nature and form of the District's population and household structure.

In the long-term, the age-cohort of the population most likely to form new households (20-34 year-olds) is projected to shrink, which may result in a lower rate of new household formation.

Rochford District is clearly not the most sustainable location in the housing market area to accommodate additional housing development, for the reasons set out in this statement.

New market housing is definitely required in the district, though set at a level that does not focus on Rochford as a growth area. Higher levels of new housing development are more appropriately directed to other parts of the Thames Gateway South Essex housing market area.

Finally, pulling all the analysis together and taking account of the conclusions, there will be a need to adjust the housing policies in the Core Strategy.

End of Statement