

**EB1708P**

# **Epping Forest District Council**

## **Housing Action Plan**

**July 2021**

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## **1. Introduction**

- 1.1 The Government seeks to accelerate the delivery of new homes as part of its drive to support 300,000 new homes per year. As part of its initiatives to support housing growth, the National Planning Policy Framework (NPPF) introduced the Housing Delivery Test (HDT) in 2018, updated in 2019, and sets out specific measures that an authority must take where housing delivery falls below its housing requirement.
- 1.2 The Ministry for Housing, Communities & Local Government (MHCLG) calculates a Housing Delivery Target 'measurement' figure for every plan area in England. To calculate the HDT measurement for each plan area, the number of new homes built in the past three financial years is divided by the number of new homes required in the same period. The HDT figure is expressed as a percentage. For example, if the number of new homes built in a plan area is equal to the number of new homes required (over the past three years), the HDT measurement will be 100%. HDT results are published annually.
- 1.3 The NPPF applies sanctions to local authorities where they do not perform in line with Government expectations. Where the HDT measurement indicates that housing delivery is less than 95% of the local authority housing requirement, the authority is required to prepare an Action Plan which assesses the causes of under delivery and identifies actions to increase delivery in the future years. Where the HDT measurement is less than 85% the district must add a 'buffer' equivalent to one year's supply (20%) when calculating the 5 year housing land supply calculation. Where the HDT measurement is less than 75% for applications involving the supply of housing, the Local Plan policies most important for determining the application will be considered out of date. In such circumstances, planning applications will be determined in accordance with the NPPF's 'presumption in favour of sustainable development.
- 1.4 This Action Plan builds upon the Council's Housing Implementation Strategy (HIS) Update 2019 (EB410A) which details how the Council will maintain a 5-year supply of deliverable housing land against the Local Plan Submitted Version housing requirement.

## **2. Epping Forest 2020 Housing Delivery Test**

- 2.1 Currently, for the purposes of the Housing Delivery Test, Epping Forest has a high housing requirement based upon population projections and a high affordability ratio. The method for calculating the HDT is set out in the Housing Delivery Test Rulebook and the Housing Delivery Test Technical Notes.
- 2.2 The result of the 2020 Housing Delivery Test for Epping Forest District Council is presented in Table 1 below. The latest HDT result published in January 2021 calculates the HDT measurement for Epping Forest for the period April 2017 to March 2020 as 49% and therefore all three sanctions set out above apply.
- 2.3 The 2019 HDT measurement was 50% of the housing requirement whilst the 2018 HDT was 49% over the preceding 3 year period. Therefore, the HDT measurement remains consistent with previous years. However, the number of

dwellings completed has fluctuated between 149 dwellings in 2016/17 and 564 units in 2017/18.

#### 2.4 Table 1 Housing Delivery Test Result 2020

Number of homes required			Total no. of homes required	Number of homes delivered			Total no. of homes delivered	HDT 2019 measurement
2017/18	2018/19	2019/2020		2017/18	2018/19	2019/20		
667	937	864	2,468	564	426	223	1,213	49%

2.5 This Housing Action Plan is required to comply with Sanction 1. The District Council has acknowledged that there is under delivery against the government's housing requirement and applies 20% to its 5 year housing land supply calculations. As the HDT measurement currently also falls below the 75% target, the presumption in favour of development will also apply. The District Council will continue to apply the 20% until the adoption of the Local Plan.

2.6 Once the Local Plan is adopted, the housing requirement figures will reflect the stepped trajectory set out in the Local Plan. It is anticipated that the HDT measurement will be tested against the new Local Plan housing requirement in future MHCLG publications when the Local Plan is adopted. It is important that the Council continues to robustly implement the delivery of its housing strategy.

2.7 The results of future HDT measurement will be dependent upon the number of homes completed in the 2020/21 financial year and the adoption of the Local Plan in time to inform MHCLG's preparation of its 2021 HDT measurement. The Policy Team monitoring analysis will confirm the number of homes completed in 2020/21 in late summer 2021.

### 3. National requirements for preparing an Action Plan

3.1 Paragraph 75 of the National Planning Policy Framework (NPPF) states that:

'To maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. Where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the previous three years, the authority should prepare an action plan in line with national planning guidance, to assess the causes of under delivery and identify actions to increase delivery in future years'.

3.2 The key areas that the Action Plan should address are set out in National Planning Policy Guidance:

- barriers to delivery on sites identified as part of the 5 year land supply (such as land banking, scheme viability, affordable housing requirements, pre-commencement conditions, lengthy section 106 negotiations, infrastructure and utilities provision, involvement of statutory consultees etc.);
- whether sufficient planning permissions are being granted and whether they are determined within statutory time limits;

- whether the mix of sites identified is proving effective in delivering at the anticipated rate;
  - whether proactive pre-planning application discussions are taking place to speed up determination periods;
  - the level of ongoing engagement with key stakeholders (for example, landowners, developers, utility providers and statutory consultees), to identify more land and encourage an increased pace of delivery; and
  - whether particular issues, such as infrastructure or transport, could be addressed at a strategic level - within the authority, but also with neighbouring and upper tier authorities where applicable.
- 3.3 There is no statutory requirement to prepare an Action Plan but policy guidance to do so. However, to ensure the Action Plan is as useful as possible it should be published within 6 months of the publication of the Housing Delivery Test measurement. In this instance this means publication by 19th July 2021.

### **An analysis of Housing delivery in Epping Forest**

- 3.4 The analysis below is broadly set out in response to the advice contained within the National Planning Policy Guidance on the reasons for under delivery.

#### **Barriers to delivery on sites identified as part of the 5 year land supply**

- 3.5 As a matter of definition, if a site is included in the 5 year housing land supply calculations then there should be no barriers to the site being delivered.

#### **Whether sufficient planning permissions are being granted and whether they are determined within statutory time limits**

- 3.6 The Council has undertaken a high-level analysis on the progress of some 19 major development schemes (ranging from 10 units to 105 units) across the District approved in the last five years. The result of the analysis shows that on average it takes 36 weeks between validation and the granting of planning permission. The data also suggests that 16 out of 19 sites have either been commenced or completed within four years from when the planning application was first validated by the Council.
- 3.7 NLP's report 'Start to Finish: How quickly do large scale housing sites deliver?' indicates that on average it takes 3.9 years from first formal identification of the site for housing (e.g. in a LPA policy document) to the submission of the initial planning application, although the report does acknowledge that the sample size in this case is too small to reach any conclusive findings, and that there are significant variations between different sites.
- 3.8 The conclusions of the Council's own analysis are consistent with the NLP report.
- 3.9 The NLP report also found that the larger the site in terms of housing number, the longer it takes from planning approval to first delivery. On average, it takes less

than five years for smaller sites (less than 500 units) to come forward, this increases to between 5.3 to 6.9 years for sites larger than 500 units. Again, the report indicates that there are significant variations between sample sites with some coming forward under two years and some others taking upwards of 15-20 years.

### **Impact of Epping Forest Special Area of Conservation (EFSAC)**

- 3.10 Epping Forest covers a large area of land within the District and much of the Forest is designated as a Special Area of Conservation (SAC) under the EU Habitats Directive (92/43/EEC).
- 3.11 Under the Habitats Regulations, the EFSAC is classified as a 'European site' and, as the competent authority, before deciding to undertake, or give any consent, permission or other authorisation for, a plan or project which is likely to have a significant effect on the SAC (either alone or in combination with other plans or projects), the Council must make an Appropriate Assessment of the implications of the plan or project for the EFSAC in view of that site's conservation objectives.
- 3.12 For the purposes of assessment, as a competent authority the Council must consult Natural England and have regard to any representations made by Natural England in response.
- 3.13 The advice from Natural England is that proposals for new development anywhere within the District that may lead to an increase in vehicle movements on roads within 200m of the EFSAC are likely to have an in combination effect on the EFSAC and advise that any impacts arising from atmospheric pollution are best dealt with by way of a strategic solution.
- 3.14 This has resulted in planning applications being held in abeyance pending the identification of an acceptable air quality mitigation strategy to manage the adverse effects of atmospheric pollution arising from additional vehicles using roads in the vicinity of the EFSAC. Since June 2018 the Council has not been able to lawfully grant planning permission for new development that would result in a net increase in vehicle movements through the EFSAC.
- 3.15 However, in Spring 2021, the Council adopted an Interim Air Pollution Mitigation Strategy. The recent adoption of this strategy and an agreement of an approach to assessing the impact of development on the SAC has meant that longstanding applications held in abeyance are now being released to be assessed for planning consent, subject to appropriate mitigation measures.

### **Whether the mix of sites identified is proving effective in delivering at the anticipated rate?**

- 3.16 The Council acknowledges that slow build out rates on large sites could be a potential risk to the timely delivery of large-scale housing allocations in the Local Plan Submission Version (LPSV). A conclusion outlined in the Letwin Review which looked at how to close the significant gap between housing completions and the amount of land allocated or permissioned. To improve delivery rates, the LPSV already requires all new development to maximise densities on housing sites, whilst



recognising that different density levels will be appropriate for different sites in different locations. Policy H 1 of the LPSV requires new development to provide a range of house types and sizes to address local need which is in line with the recommendations from the Letwin Review.

- 3.17 Additionally, through the Local Plan, the Council identified and allocated a large number of smaller sites in the LPSV, sites with capacity less than 50 units. Collectively, the LPSV, as it stands, represents a well-balanced strategy for the district which include an appropriate mix of larger and smaller housing sites.

**Whether proactive pre-planning application discussions are taking place to speed up determination periods?**

- 3.18 The Development Management Service Charter sets out how the Council operates its Development Management Service in an equitable, timely, consistent and open manner. Epping Forest aims to facilitate and influence development within the district to achieve high quality, sustainable outcomes and protect and improve the countryside and built environment.

- 3.19 The District Council is keen to encourage positive development in the District and seeks to work collaboratively with applicants on large scale developments that accord with the Epping Forest Local Plan.

- 3.20 Epping Forest District Council encourages that a Planning Performance Agreements (PPA) is entered into for major developments. A PPA is a project management tool that can be used to agree timescales, actions and resources for handling applications. Through a PPA a bespoke service can be offered that provides specialist support and expertise relevant to the proposal. The cost of the service is calculated on the basis of hourly rates of the officers and experts who provide the advice.

**The level of ongoing engagement with key stakeholders (for example, landowners, developers, utility providers and statutory consultees), to identify more land and encourage an increased pace of delivery?**

- 3.21 The Council is working closely with partners to facilitate timely (and where possible accelerated) delivery of allocations that form part of identified Masterplan Areas which will contribute significantly to the Council housing supply in the middle to long term. The Council also holds Developers Forums where representatives from all sites allocated in the Local Plan come together to discuss implementation and delivery of sites.

**Whether particular issues, such as infrastructure or transport, could be addressed at a strategic level - within the authority, but also with neighbouring and upper tier authorities where applicable.**

- 3.22 The Council is now at an advanced stage of the Local Plan process and Examination Hearings took place between February and June 2019. The Council has been working to respond to the Inspector's Actions and a Schedule of Main Modifications is being prepared which will be agreed with the Inspector.

Consultation will begin on 15th July with the consultation period ending on 23rd September 2021.

- 3.23 Due to the delayed submission of the Local Plan Submission Version 2017 (LPSV) and the consequential delay to the adoption of the Local Plan, this has impacted upon the delivery of Local Plan allocations and commitments. Between 20 March and 20 September 2018, a High Court Injunction Order restricted the Council from submitting the LPSV for examination, thereby delaying the adoption considerably.
- 3.24 The Local Plan Submission Version 2017 (LPSV) seeks to provide 11,400 new homes over the plan period and proposes a number of sites for residential allocation which will provide the majority of future housing supply for the District. The adoption of the Local Plan is therefore essential to allow some sites to be released from the Green Belt to provide the land for much needed homes. 92% of the District is designated as Green Belt and some of the allocations in the LPSV are currently constrained by the Green Belt. Notwithstanding the advanced stage reached in preparing the Local Plan, it is likely to be difficult to deliver homes on allocated land within the Green Belt until formal adoption of the Plan.
- 3.25 Upon adoption of the Local Plan, the Council's housing delivery target will be in line with the stepped trajectory set out in the plan and the Council will no longer be tested against the higher standard method figure allowing the Council to score more positively against the Housing Delivery Test.
- 3.26 This is in line with the Planning Practice Guidance which states that 'A stepped requirement may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies and/or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period. Strategic policy-makers will need to set out evidence to support using stepped requirement figures, and not seek to unnecessarily delay meeting identified development needs....( Paragraph: 034 Reference ID: 3-034-20180913)'.
- 3.27 The LPSV is also clear that the Council will monitor housing delivery against the housing trajectory (Appendix 5 and Housing Implementation Strategy) for the District using the indicators specified in the Monitoring Framework set out in the Local Plan. The LPSV states that if the Authority Monitoring Report (AMR) demonstrates that annual housing delivery is less than 75% of the annualised requirement or the projected completion rate (whichever is the lower) for three consecutive years, the Council will undertake a partial review of the Adopted Local Plan.
- 3.28 Market conditions within the District would appear buoyant with relative value for money compared to London with accessibility, Quality of Life, Health and Wellbeing opportunities seen as an important part of the market offer. However, there remains some industry wide concerns relating to the increasing cost of materials and supply change disruptions.

## Conclusions

- 3.29 Barriers to housing delivery within Epping Forest District focus on two key issues: the delay in the adoption of the Local Plan and the embargo placed on development in the district which restricts granting planning permission where it would increase vehicle movements within 200m of the Epping Forest Special Area of Conservation.
- 3.30 The Local Plan is at an advanced stage in the plan making process and the Council anticipates being in a position to adopt the plan later this year which will facilitate the release of housing allocations and accelerate housing development. Additionally, the Council is now able to determine planning applications that were embargoed through the adoption of an Interim Air Pollution Mitigation Strategy and agreement with Natural England.

## 4. Housing Action Plan

- 4.1 Our Local Plan will help shape future development in the District up to 2033 and sets out the level and distribution of planned growth, including new homes and businesses. The consultation on the main modifications seeks views on changes being proposed to the 2017 Local Plan Submission Version which is currently under independent Examination. These are changes that the Local Plan Inspector considers necessary before the Plan can be adopted.
- 4.2 In reaching the final stages of the Local Plan the plan has addressed many of the actions raised in the NPPG to accelerate the planning process. This includes updates to the Housing Land Availability Assessment, analysis of the potential to subdivide sites, the Local Plan revision itself, revision of site allocation policies and encouraging smaller sites.
- 4.3 As demonstrated the Council is proactive in bringing forward PPAs and now prioritising the release of planning application that were held in abeyance due to the embargo on decisions that impact upon the Epping Forest SAC.
- 4.4 Additionally, the Council has introduced measures to secure the implementation of its housing strategy and Local Plan notably:
- A dedicated Implementation Team has also been established to ensure that there are resources and expertise in processing and delivering larger and more complex allocations in a timely manner.
  - The Council House Building Programme also seeks to increase the Council's housing stock through the construction of new well designed affordable rented homes on the Council's own land and the purchase of good quality affordable rented housing from private developers.
  - The Council has set up its own development company – Qualis. This will enable the delivery of homes on sites the Council has transferred to the development company which are allocated in the emerging Local Plan.
- 4.5 The Council identifies a number of measures that it will take to boost the delivery of housing in the District. These actions are set out in the below table.

Table 2. Actions to boost delivery of housing in the District

Action	How	Who	When
Adoption of the Local Plan to enable the delivery of residential allocations and housing policies	Take the Local Plan through Main Modifications consultation and through to adoption. Following the consultation, the Plan Inspector will determine whether the plan, as amended, is sound. If it is found sound, the Council can move to adoption.	EFDC Planning Policy, PINS	Consultation to 16 <sup>th</sup> September 2021 and adoption anticipated late 2021
Bring forward sites earlier	To provide planning certainty, EFDC agreed to apply significant material weight to policies in the LPSV in decision making, and a number of allocations have received planning permission. As the Local Plan moves to Main modifications the plan carries significant weight in the planning balance.	EFDC, developers	Ongoing
Duty to Co-operate	The Council sought assistance from neighbouring authorities through Duty to Cooperate discussions in order to address identified undersupply within the next five years. Discussions prior to the Regulation 19 publication with other LPAs in the same Housing Market Area i.e. Harlow, Uttlesford and East Herts District Councils confirmed that that none of the them were able to contribute towards EFDC's undersupply as they too need to achieve a challenging housing requirement through their Local Plans and are likely to struggle to meet their own undersupply. We consulted with neighbouring authorities again in December 2018 and their position remains unchanged	EFDC, district councils within HMA	Ongoing

Action	How	Who	When
Adoption of the Approach to Managing the Effects of Air Pollution on the Epping Forest Special Area of Conservation	<p>The Council is working proactively to resolve the situation that has restricted housing and economic development coming forward in the District since 2018. Working with Natural England, EFDC has identified potential opportunities to address the backlog of underdetermined applications in accordance with the adoption of the interim approach to managing atmospheric pollution impacts on the EFSAC.</p> <p>The Council is currently accelerating the determination of the 'embargoed' planning applications.</p>	EFDC Planning Policy, PINS, Natural England, Conservators of Epping Forest.	May 2021 onwards
Speeding up decision making	The Council will continue to actively encourage developers to engage in pre-application discussions to ensure any planning and delivery issues can be addressed early in the process.	EFDC Planning Policy, Development Management and Implementation Teams and developers	Ongoing. Regular progress reports provided to Council's Cabinet

Action	How	Who	When
Master Planning	<p>Masterplans, Concept Frameworks, and the Quality Review Panel will continue to be utilised to frontload the planning process and streamline decision-making.</p> <p>The Council has been engaging with the promoters of the sites that collectively comprise the Masterplan areas. All parties have agreed to work together to produce a Strategic Masterplan to guide and shape development across the district</p> <p>This includes the sites at North Weald Bassett, South Epping, Waltham Abbey, North Weald Airfield, West Ongar and South Nazeing.</p>	EFDC Planning Policy, Development Management and Implementation Teams and developers	Ongoing. Regular progress reports provided to Council's Cabinet
Developer Forums	<p>Two developer forums have been established for site allocations around Harlow and one for the rest of the allocations in Epping Forest. Infrastructure providers and statutory agencies are invited. It provides a mechanism for ongoing discussions with relevant landowners, site promoters and stakeholders and for the long-term planning and implementation of sites identified for allocation. The Developer Forum provides a basis to produce and agree Statements of Common Ground and/or Memorandum of Understanding and provide an overview of progress and programming of Strategic Masterplans.</p>	EFDC Planning Policy, Development Management and Implementation Teams and developers	Ongoing. Regular progress reports provided to Council's Cabinet

Action	How	Who	When
Implementation Team	<p>A dedicated Implementation Team has been set up to ensure that there is the required resource and expertise in processing and delivering larger and more complex allocations in a timely manner.</p>	Implementation Team	Ongoing. Regular progress reports provided to Council's Cabinet
Harlow and Gilson Garden Town	<p>Epping Forest District Council is part of a partnership to bring forward significant growth in the District as part of the Harlow and Gilston Garden Town. This will deliver approximately one third of the Council's housing need.</p> <p>The Garden Town Member Board and Garden Town Officer Group meets monthly.</p>	Implementation Team, Garden Town Partners	Ongoing
Council's Housebuilding Programme	<p>The Council seeks to increase the Council's housing stock through the construction of new well designed affordable rented homes on the Council's own land (predominantly difficult to let garage sites) and the purchase of good quality affordable rented housing from private developers.</p> <p>To date, 118 new units have been completed. These are owned and managed by the Council, and let at affordable rents. 38 units are currently under construction. A further 146 units are in the pipeline, with these schemes at various stages in the planning process.</p>	Funded through one to one right to buy capital receipts, S106 agreements, Homes and Communities Agency Funding, The Housing Revenue Account, Loans from the Public Works Loan	East Thames and their consultants, EFDC, Parish and Town Councils

Action	How	Who	When
Council's development company	<p>The Council has set up its own development company – Qualis. This will enable the delivery of homes on sites the Council has transferred to the development company which are allocated in the emerging Local Plan.</p> <p>Currently there are planning applications by Qualis at St Johns Road, Hemnall Street / Leisure Centre and Civic Office/ Condor Epping totalling 270 new homes with commencement expected on St Johns Road in Q2 2022.</p>	Qualis Commercial, Implementation team, Housing Team	Ongoing
Locality Board	Locality Board set up by Essex County Council with district councils and local MPs to discuss strategic issues	Local Authorities	
Monitoring	Engaging regularly with key stakeholders to obtain up-to-date information on build out of current sites, identify any barriers, and discuss how these can be addressed	EFDC, developers	Annually

## Consultation

- 4.6 This has been no direct consultation on this Housing Action Plan. However, in order to inform the production of the updated HIS, the Council prepared a trajectory setting out the projected rates of housing delivery on committed housing sites and Local Plan allocations, as well as a number of underlining assumptions behind the projections. It also included measures undertaken by the Council to seek to boost short-term housing supply and the Council's proposed approach to formulating a new stepped housing trajectory for the Local Plan which reflects current policy guidance, best practice and local circumstances. This trajectory is reviewed as part of the Main Modification consultation on the Local Plan.
- 4.7 The HIS was developed in consultation with the Development Forum and included a series of questions on which stakeholders were invited to comment. The Developer Forum consists of representatives from all sites allocated in the Local Plan. The trajectory paper was also issued to neighbouring authorities within the Housing Market Area and the Home Builders Federation for comment. A summary of comments received on the discussion paper and the Council's responses to those comments are provided in the Housing Implementation Strategy.