

Uttlesford District Council

Objectively Assessed Housing Need

Technical Assessment

October 2013

Contents

| | |
|---|----|
| Executive summary | i |
| 1. Introduction | 1 |
| 2. Summary of Scenarios | 4 |
| 3. Summary of the housing and jobs numbers for each scenario | 6 |
| 4. Sustainability Appraisal of Options for Overall Housing Numbers (June 2012) | 7 |
| 5. Strategic Housing Market Assessment –LCB East sub-region 2008 and Update 2012 | 9 |
| 6. Reasoned consideration of scenarios | 11 |
| 7. Recent statistical releases | 19 |
| 8. Spatial implications of trend based and jobs led scenarios | 26 |
| 9. Demographic implications of trend based and jobs led scenarios | 28 |
| 10. Employment implications of trend based and jobs led scenarios | 33 |
| 11. Infrastructure implications of trend based and jobs led scenarios | 38 |
| 12. Implications of trend based and economic based scenarios on specific policies of the National Planning Policy Framework | 40 |
| 13. Conclusion – are there any reasons why the Council should not plan for its objectively assessed housing need? | 42 |
| 14. Approach of Neighbouring Authorities | 43 |
| Glossary: | 46 |

Executive summary

1. The Council has examined a range of scenarios in determining its objectively assessed need. The scenario based on the 2010-based sub-national population projections (SNPP) forecasts a high housing and jobs growth; the economic scenario which constrains population growth, and the approved (but now revoked) Regional Plan forecast a mid-range housing and jobs figure; and growth based on the Annual Monitoring Report and nil net migration forecast a low growth scenario.

| Annual rates for dwelling and jobs under different scenarios | | | |
|---|-------------------------|------------------|-------------|
| Scenario | Average per year | | |
| | Net migration | Dwellings | Jobs |
| SNPP-2010 | 880 | 526 | 351 |
| SNPP 2010- R | 880 | 523 | 351 |
| Approved RSS - R | 661 | 430 | 223 |
| Economic - R | 617 | 415 | 200 |
| AMR Dwelling Trajectory - R | -29 | 133 | -175 |
| Net-Nil Migration - R | 0 | 142 | -253 |

Note: The 'R' suffix on scenarios indicates that they have used headship rates that have been scaled to ensure consistency with Council Tax property statistics provided for each district.

2. The Strategic Housing Market Assessment (SHMA) uses the Greater Essex Demographic forecasts as a basis for the total amount of housing needed and identified need for 11,500 homes between 2011 and 2033 (523 dwellings per annum). The SHMA identifies a high requirement for affordable housing, with this need increasing with rising house prices. In order to meet its affordable housing need a housing requirement based on the trend based forecasts is most likely to provide the greatest amount of affordable housing. The requirement is for family market houses but smaller 1 and 2 bed social affordable homes. This reflects the growth in 1 person households and couples with or without dependent children, identified in the 2011 interim household projections.
3. More recent interim statistical releases only forecast for a 10 year period to 2021 and although partially based on the 2011 census, trends in fertility, mortality and migration have not been updated to 2011. The interim 2011 SNPP only forecast a very small population increase over the 2010 SNPP. It is considered that the 2010 household projections reflect more buoyant household formation rates.
4. There are sufficient deliverable sites in Uttlesford to accommodate the need identified in the 2010-based SNPP.

5. The trend based SNPP-2010 and interim SNPP-2011 both forecast steady increases in population in the wide age bands of under 18s; economically active; and retired. The growth forecast in the economic scenario would constrain the population growth in the economically active and the under 18s age groups.
6. The emerging Local Plan identifies sufficient land to meet the forecast growth in jobs under the SNPP and economic scenarios. The additional jobs arising from the higher population forecast by the SNPP reflect the low unemployment rates and stable commuting ratio. The growing population is also likely to have an impact on the service sector leading to the creation of more jobs in the service industries.
7. The findings of this technical report indicate that the council considers its objectively assessed housing need is that identified by the 2010- based SNPP. It considers it can be delivered without any adverse impacts on the policies in the National Planning Policy Framework as a whole or specific policies which indicate development should be restricted;¹ and without the need to approach neighbouring authorities under the Duty to Cooperate requesting them to accommodate some of the Council's housing requirement.
8. Neighbouring authorities are similarly considering plans based on the upper end of a range of scenarios to meet their objectively assessed need. Uttlesford Council has not been approached by any authority under the Duty to Cooperate to assist them in meeting their objectively assessed need.

¹ National Planning Policy Framework paragraph 14

1. Introduction

1.1. At the heart of the National Planning Policy Framework is a presumption in favour of sustainable development. For plan-making this means that:

- Local planning authorities should positively seek opportunities to meet the development needs of their area;
- Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless:
 - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole; or
 - specific policies in the Framework indicate development should be restricted. For example, those policies relating to sites protected under the Birds and Habitats Directives (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.

1.2. The Planning Advisory Service consider the use of the word 'need' as confusing as this is often associated with affordable housing. They suggest that it is more useful to think of it as the effective demand for housing.² PAS also note that there is no single right answer to exactly what our requirement is. The exact figure is a matter of judgement. They consider that a useful approach is to consider a range of appropriate and justified scenarios. This is what the Council has done.

1.3. In order to prepare a Local Plan which meets the Council's needs, Uttlesford District Council has worked with Essex and other adjoining authorities in commissioning demographic forecasts. Edge Analytics has undertaken the work through four separate phases and delivered the analysis using the POPGROUP suite of demographic forecasting models.

1.4. Phase 1: Demographic model configuration and validation

This phase demonstrated consistency and equivalence of the POPGROUP technology with the Sub National Population Projections (SNPP) and the Office of National Statistics's (ONS) mid-year estimates (MYE) and Council Tax data on dwelling stock change since 2001.

1.5. Phase 2: Scenario analysis and report

This phase produced a suite of scenarios to enable an evaluation of alternative growth trajectories. These scenarios included: an SNPP-2008 base benchmark; an alternative migration led trend scenario and a zero-net migration scenario; dwelling led scenarios and a jobs-led forecast using the East of England Forecasting Model.

² Ten key principles for owning your housing number – finding your objectively assessed needs (PAS July 2013)

- 1.6. Phase 3: Demographic model update, scenario analysis and report
This phase produced an updated suite of forecast scenarios and incorporated two important releases of demographic data: indicative 2010 ONS mid-year population estimates and 2010-based ONS SNPP.
- 1.7. Phase 4: Demographic model update, scenario analysis and report
This phase reviews the latest demographic evidence including statistics from the 2011 Census, 2011 mid-year estimates that have resulted from the 2011 census plus the ‘interim’ 2011-based SNPP. The phase 4 analysis does not provide an update to the scenario forecasts presented in phase 3.
- 1.8. This Topic Paper considers the six scenarios arising from Phase 3, the statistical releases reviewed in Phase 4, and the Government’s Household Interim Projections 2011-2021 published in April 2013.
- 1.9. The scenarios undertaken as part of the Greater Essex Demographic Forecasts may be grouped into 3 types,
- Trend based scenarios which consider the scale and pattern of fertility, mortality, internal and international migration in the 5 year period to 2010. There are three scenarios of this type – SNPP 2010; SNP2010-R; and nil net migration.
 - Dwelling-led – assumptions on the future scale of dwellings are input to the model. The scenario forecast shows the future migration, population, households and labour force that would result from that level of dwelling provision. There are two scenarios of this type – Approved RSS dwellings and AMR dwelling trajectory.
 - Jobs-led – assumptions on the future growth for jobs using key data inputs of economic activity rates, unemployment rates and commuting ratios . There is one scenario of this type – Economic-led.

| Table 1: Description of Scenarios | |
|--|---|
| Scenario Name | Description |
| SNPP 2010 | A ‘trend’ scenario which reproduces the 2010-based sub-national population projections (SNPP) from ONS |
| SNPP 2010-R | A ‘trend’ scenario which reproduces the 2010-based Sub National Population Projections (SNPP) from ONS but uses ‘rescaled’ headship rates to derive its household estimates |
| Net-nil Migration - R | A ‘trend’ scenario which maintains in-migration and out-migration to each district but sets the overall net balance to be zero |
| Approved RSS – R | A ‘dwelling-constrained’ scenario that is controlled by the annual rate of dwelling provision set out in Policy H1 of the Approved RSS |
| AMR Dwelling Trajectory – R | A ‘dwelling-constrained’ scenario that is controlled by a new housing development trajectory provided by each district |
| Economic - R | A jobs led scenario that is controlled by an employment growth trajectory derived from the East of England Forecasting Model (the regional economic forecasting model) |

Note: The 'R' suffix on scenarios indicates that they have used headship rates that have been scaled to ensure consistency with Council Tax property statistics provided for each district.

- 1.10. All scenarios have been run with a 2010 base year and a 2033 horizon. At the base year the population is the indicative ONS mid-year estimate for 2010 (published November 2011). A summary of the population and household forecasting model methodology is provided in the Greater Essex Demographics Forecasts Phase 3 report (June 2012).

2. Summary of Scenarios

Trend-based Scenarios

2.1. The **SNPP-2010 scenario** is the benchmark against which all other scenarios are compared. There are four key factors that work, in combination, to produce the 2010-based population growth projections.

1. The scale and pattern of fertility, mortality and migration in the five year period 2006-2010 has been used as the basis for the trend projection.
2. The national assumptions on fertility, mortality and international migration defined by ONS will influence how long term demographic change affects a local area.
3. The international migration estimation for 2006-2010.
4. Internal migration is determined from historical trends. But, future levels of projected migration inflow to an authority will also continue to be influenced by population growth in other local authority areas. Districts in Greater Essex have historically been recipients of migrants from London Boroughs. Continued population growth in these Boroughs will drive higher out-migration, resulting in higher in-migration to receiving local authorities.

2.2. The **SNPP 2010-R scenario** has an identical population projection to the **SNPP 2010** version. The only difference between the two scenarios is that this second version calculates its household totals from headship rates that have been scaled to be consistent with Council Tax statistics³. These rescaled headship rates are also used to calculate household numbers in each of the remaining scenarios.

2.3. The **Net-nil Migration-R scenario** assumes that in and out-migration **continue** (for both internal and international flows) but the overall balance between the two is zero i.e. the 'net' impact of migration is zero throughout the projection period. Other than balancing the in and out flows whilst maintaining different age profiles for in and out-migrants, all other assumptions are consistent with the SNPP-20-10 scenario.

Dwelling-led Scenarios

2.4. The dwelling led scenarios are based on a pre-defined trajectory of housing growth from which the likely levels of both household and population growth are determined. To do this the model amends the trend rate of net migration so that a future population is produced that can be accommodated by the pre-defined number of dwellings. This means that if the dwelling-led scenario can accommodate a higher population than indicated by the historic trend then net migration will be higher, and the converse if a lower population can be accommodated.

³ For further guidance see section 4 of Greater Essex Demographic Forecasts Phase 4 June 2012.

- 2.5. The relationship between dwellings, households and population levels is controlled by two factors.
1. A vacancy rate which determines the balance between household and dwellings
 2. Headship rates which determine the number of households expected given the age-sex composition of the population. Headship rates have been scaled for consistency with historical council Tax dwelling statistics⁴.
- 2.6. **Approved RSS-R** is based on the dwelling provisions set out in Policy H1 of the Approved Regional Spatial Strategy (May 2008). For each district, dwelling growth acts as a 'constraint' on population and household growth, with 'migration' used to balance the population and households required to achieve the dwelling target.
- 2.7. As the East of England Regional Plan has since been revoked, it is highly unlikely that its housing requirement and/or evidence will be given sufficient weight during the public examination of the Local Plan.
- 2.8. The **AMR Dwelling Trajectory-R scenario** is based on the dwelling trajectory published in the authority's 2011 Annual Monitoring Report (AMR). Dwelling growth acts as a 'constraint' on population and household growth, with 'migration' used to balance the population and households required to achieve the dwelling target. The AMR statistics are based on the current availability of identified residential sites rather than potential housing provision, and therefore revert to zero before the end of the forecast period.

Jobs-led Scenario

- 2.9. The **Economic-R scenario** is one which constrains future population and household growth to the economic baseline forecast of spring 2012, produced by the East of England Forecasting Model (EEFM). The annual jobs growth acts as a 'constraint' on population and household growth, with 'migration' used to balance the population and household required to achieve the jobs growth target. The relationship between population, the labour force and the number of jobs in a district is controlled by three parameters.
1. Economic activity rates – the rates by age and sex have been derived from the former East of England Regional Assembly (EERA) demographic forecasts undertaken during the RSS preparation. These activity rates do take account of changing labour force participation expected in the older age groups as a result of proposed increases in the pension age.
 2. Unemployment rates – the rates have been taken directly from the EEFM model, varying year-on-year throughout the forecast period
 3. Commuting ratios – the ratios have been taken directly from the EEFM model, varying year-on-year throughout the forecast period.

⁴ For further guidance see section 4 of Greater Essex Demographic Forecasts Phase 4 June 2012.

3. Summary of the housing and jobs numbers for each scenario

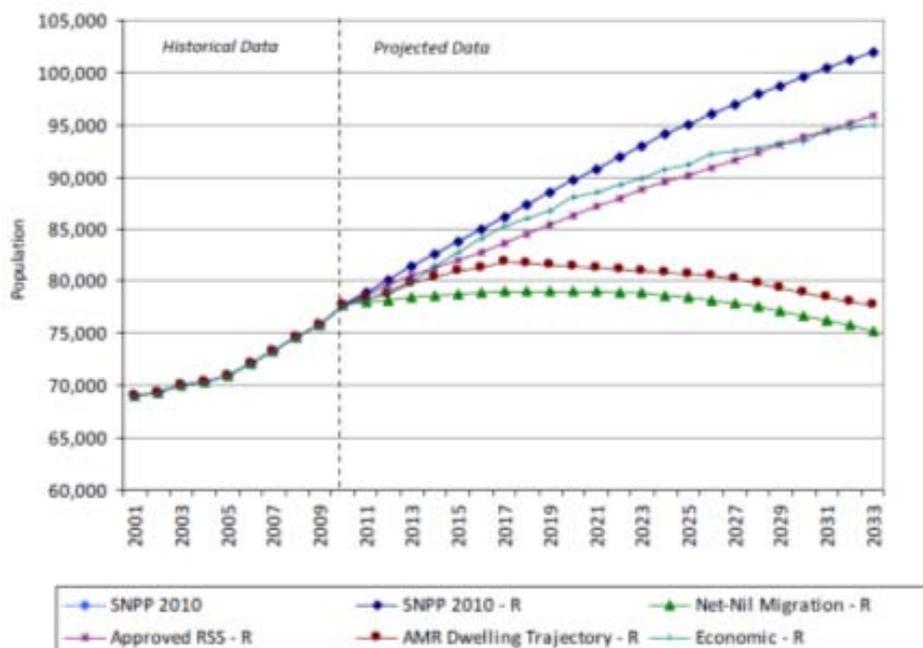


Chart 1: Population Projections under difference scenarios

Scenario definition (The -R suffix indicates that household headship rates have been re-scaled to meet 2010 household totals)

| | |
|--------------------------|--|
| AMR Dwelling Trajectory: | Controlled by the latest housing development trajectory available from each local authority |
| Approved RSS: | A 'dwelling-led' scenario based on the Approved RSS (or equivalent) |
| Economic: | Controlled by an employment growth trajectory derived from the most recent forecasts from the EEFM |
| Net-Nil Migration: | Maintains in-migration and out-migration but sets the overall net balance to be zero |
| SNPP 2010 | Reproduces the 2010-based sub-national population projections from ONS |

| Scenario | Average per year | | |
|-----------------------------|------------------|-----------|------|
| | Net migration | Dwellings | Jobs |
| SNPP-2010 | 880 | 526 | 351 |
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| Net-Nil Migration - R | 0 | 142 | -253 |

3.1. The SNPP scenarios gives a high housing and jobs figure, the economic scenario and the Approved RSS scenarios provide a mid-range housing and jobs figure, with the AMR and Net-Nil migration providing a low growth scenario.

4. Sustainability Appraisal of Options for Overall Housing Numbers (June 2012)

Table 3: Sustainability Appraisal of Scenarios

| Sustainability Objective | SNPP | Migration led | Net-nil migration | Approved RSS | Draft Review RSS | AMR dwelling Trajectory | Economic |
|--------------------------|------|---------------|-------------------|--------------|------------------|-------------------------|----------|
| 1 Biodiversity | - | - | 0 | - | - | - | - |
| 2 Heritage | - | - | 0 | - | - | - | - |
| 3 Climate change | X | X | ✓ | X | X | X | X |
| 4 Pollution | - | - | 0 | - | - | - | - |
| 5 Flooding | - | - | 0 | - | - | - | - |
| 6 Sustainable Travel | - | - | 0 | - | - | - | - |
| 7 Accessibility | - | - | 0 | - | - | - | - |
| 8 Health | - | - | X | - | - | - | - |
| 9 Housing Needs | ✓ | ✓ | X | ✓ | ✓ | ✓ | ✓ |
| 10 Natural Resources | - | - | 0 | - | - | - | - |
| 11 Education | - | - | 0 | - | - | - | - |
| 12 Economic growth | X | X | X | X | X | X | ✓ |

4.1. All seven scenarios will have uncertain impacts on the majority of the Sustainability Appraisal objectives due to the geographic distribution of development not being a factor in determining overall housing numbers for the district. This is true for the majority of environmental objectives which are largely location specific and impacts can be mitigated on-site as part of individual proposals. Reducing contributions to climate change will have negative impacts across most of the scenarios due to increased growth, with the exception of a net-nil migration scenario that equates to a reduction in population. As such, the net-nil migration has no impact on most other objectives, with negative impacts on many social and housing related objectives.

4.2. The other scenarios will all have positive impacts on housing where they respond to existing and future needs. In regards to economic development, the economic scenario is the only scenario which constrains the future population and household growth to the economic baseline forecast. As such, this scenario is likely to result in the most positive outcomes for sustainable housing and employment related development. However it should be noted that the SNPP and RSS scenarios forecast significant numbers of additional jobs.

4.3. Therefore the Economic scenario is the scenario which performs best when considering the economic, social and environmental impact. Housing growth is never likely to produce positive outcomes for the environment; however

any impact can be mitigated through locating development through the plan making process in areas likely to cause the least harm.

5. Strategic Housing Market Assessment –LCB East sub-region 2008 and Update 2012

5.1. The Strategic Housing Market Assessment (SHMA) undertaken by ORS uses the ORS Housing Mix Model to consider both housing need and overall housing requirements on a longer-term basis, to provide robust and credible evidence about the required mix of housing over the plan period and understanding how key market drivers (such as affordability) will impact on the appropriate housing mix. The housing mix model on one hand considers households in terms of the baseline population and projected household growth, and their associated affordability and housing requirements and on the other hand it considers the dwelling stock in terms of the tenure and housing costs for both the existing stock and the recent housing completions.

5.2. The SHMA has been updated incorporating the household projections from the demographic study. It uses the forecast baseline population and projected household growth and calculates the tenure split for each of the scenarios as shown in the table below.

| Table 4: SHMA household projections by tenure 2011 - 2033 | | | | |
|--|-------------|-------------|-------------|-------------------|
| | SNPP-2010 | Jobs led | RSS | Nil-net migration |
| Market | 5,300 (46%) | 3,600 (41%) | 5,000 (45%) | -500 (-19%) |
| Intermediate Affordable/Shared Ownership | 4,200 (37%) | 3,600 (41%) | 4,100 (37%) | 2,500 (93%) |
| Social Rented/affordable Rented | 2,000(17%) | 1,600(18%) | 2,000 (18%) | 700 (26%) |
| Total Housing Requirement | 11,500 | 8,800 | 11,100 | 2,700 |
| 2011– 2033 (figures rounded to nearest 100) | | | | |

5.3. The requirement for additional affordable housing is a large proportion of this overall requirement for Uttlesford as well as the other local authorities in the sub-region apart from Harlow who benefit from a large stock of social housing and its relatively low market housing prices.

5.4. The tenure mix of the overall housing requirement changes with house prices - the higher the house price the greater the need for affordable housing. The SHMA modelled the overall requirements based upon 2007/8 average prices and the long term trends. Uttlesford requires 70% affordable housing based on 2007/8 prices which were at the peak of the cycle. However under the longer term trends of house prices the requirement drops to 48%. The 2012 update of the SHMA revised the requirement to 54% which reflects 2011/12 house prices.

- 5.5. The jobs led scenario would overall provide less housing and therefore less affordable housing than under the trend based scenario. However, by constraining the household growth under this scenario it is likely to lead to increase in house prices and therefore an increase in the demand for affordable housing. This is reflected in the SHMA which anticipates that under the economic scenario 59% of the housing would need to be affordable.
- 5.6. The Council's Affordable Housing Viability Assessment (Levvel August 2010 and Update March 2012) concludes that it is viable for 40% affordable housing to be provided on sites of 15 or more dwellings and 20% on sites of 5-14 dwellings. This is only slightly lower than the percentage identified by the SHMA under the longer term trends. It is significantly lower than that which would be required by the economic scenario. It is therefore unlikely to be viable to achieve the level of affordable housing arising through the economic scenario.
- 5.7. The SHMA also estimates dwelling size for new building by tenure. 89% of market housing should be for 3 and 4 bed houses. For all social housing about 65% should be 1 and 2 bed and 35% 3 and 4 bed properties. Households requiring 1 and 2 bed properties are likely to be either older person households, single parents, couples with or without children and single people. Older person households may require support to stay in their existing house or may wish to move to sheltered housing. Frail older people will require more specialist housing and higher levels of support can be provided through Extra Care Housing.

6. Reasoned consideration of scenarios

Trend-based scenarios

- 6.1. The trend based scenarios need to be considered because they indicate the degree of demographic pressure to which the district is likely to be exposed. This forecast pressure arises from historical data.
- 6.2. In relation to the **SNPP-2010 scenario** Chart 1 below indicates the trajectories of population growth that have been produced by successive ONS projections. Each projection has been higher than the previous projection.

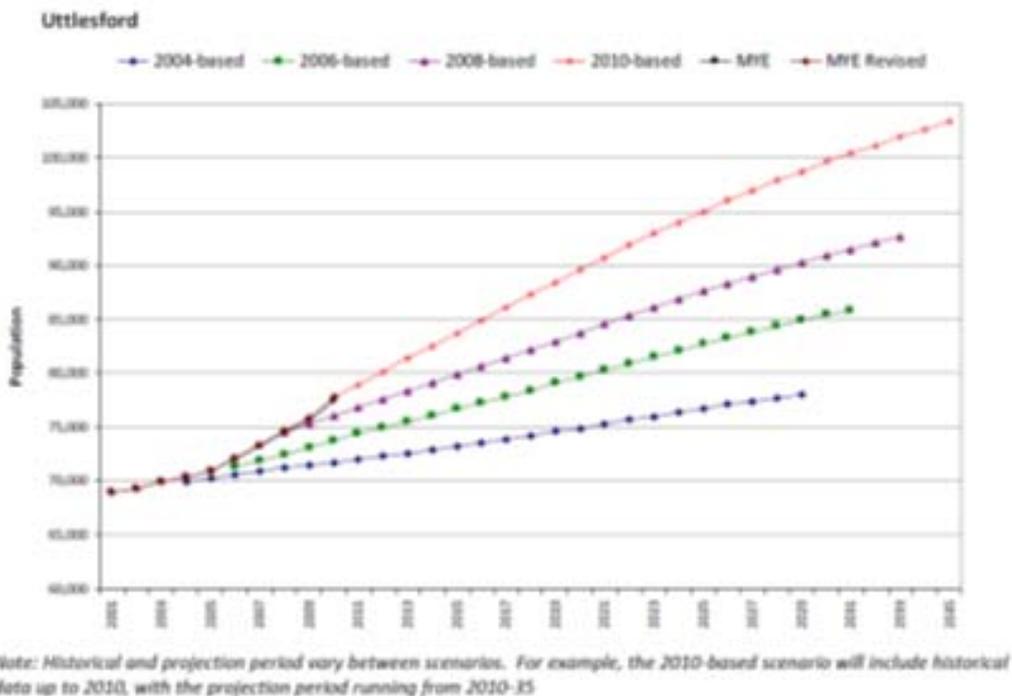


Chart 2: Population estimates and projections

- 6.3. The 2010 mid-year population estimate (MYE) was revised using a revised methodology for international migration estimation. In Uttlesford this showed negligible difference and has therefore not resulted in significant change to the relative importance of international migration in the population projections (see chart 4 below)

Uttlesford

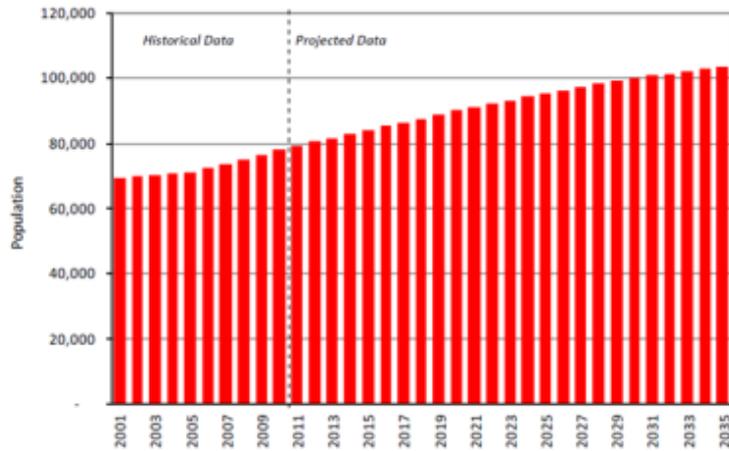


Chart 3: 2010-based sub-national population projections (Source ONS)

- 6.4. Chart 3 above illustrates the projected growth in population, 2010-2035. It is equivalent to the red line (2010-based) on chart 2.
- 6.5. The SNPP projection is trend based with the historical pattern of natural change and migration being reflected in future growth. The population growth between 2001 and 2005 increased by only 2,000 compared to the following 5 years when the population increased by 5,600. It is the continuation of this trend which forecasts the increase in population of 20,000 from 79,000 to 100,000 over 20 years from 2011.

Uttlesford

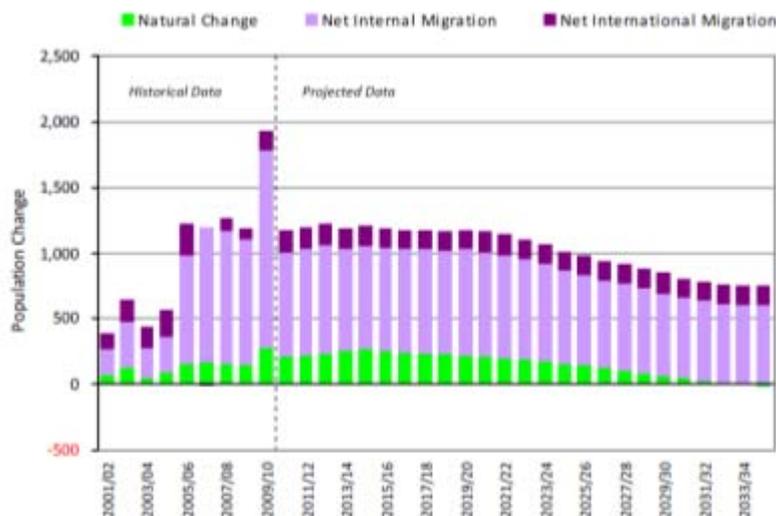


Chart 4: 2010-based sub-national population projections: components of change (source ONS)

- 6.6. Chart 4 above shows the relative importance of each component of change to population growth illustrated in chart 2. For any year, the components may show a decrease in the level of annual growth of individual components. But if the sum of components is positive it would still be reflected as an increase in the red population growth chart 3.
- 6.7. The components chart shows that Uttlesford has not seen and is not expected to see any losses due to net out-migration which would slow population growth. Historically population change due to natural change and international migration has been small. The increase in population growth between 2001-05 and 2005-10 mentioned in relation to chart 3 can be clearly seen in chart 4 which shows a significant increase in internal migration between the two time periods. Net internal migration has and continues to contribute the largest share of population growth and is the main driver of growth. International migration is forecast to make the smallest contribution to total population change over the next 15 years and is assumed to remain constant. The forecast increase in population due to natural change increases until 2015 after which this component decreases.
- 6.8. Work undertaken by University of Cambridge ⁵ asks the question “to what extent might it be legitimate to vary the assumptions made in the official population and household projections?” The main conclusions are that there is little justification to vary the assumptions as set out below:
- a. **Births:** Variations in birth rate assumptions could only have a negligible impact on the number of households to be planned for as the overwhelming majority of those who will form households during the projection period were born before the period began.
- b. **Deaths:** Whilst death rates could differ from those assumed, the impact of quite wide variations to the assumptions made in the official projections on the number of households would be small. For practical purposes this area of potential uncertainty is not significant in planning for housing.
- c. **Flows to and from the rest of the UK (internal migration):** The potential uncertainty here is much larger as a number of factors, including the number of homes built in a local authority area, could affect future flows. The National Planning Policy Framework (NPPF) makes it clear that account is to be taken of migration. This suggests that it is not open to an authority simply to make whatever assumption it chooses on flows to and from the rest of the UK and that assumptions that imply a departure from recent trends (on which the official projections are based) would need to be carefully justified. The “Duty to Co-operate” is relevant here as any decision not to plan for a continuation of the flows that have taken place in the past would have an impact on the areas from which people move to the planning authority in

⁵ Choice of Assumptions in Forecasting Housing Requirements: Methodological Notes (Cambridge Centre for Housing & Planning Research March 2013)

question. There could also be impacts on the areas that receive people from the authority.

Some local authorities may wish to argue that to accommodate the projected net flows would have adverse impacts that outweigh the benefits of providing additional homes – a justification for not planning to meet the objectively assessed needs of an area that is specifically referred to in the NPPF.

However, we suggest that in such cases, unless clear evidence can be provided that those not being planned for will be adequately accommodated elsewhere, then the adverse impact of providing housing should be weighed against the adverse impact on those who may as result have to live in overcrowded or shared accommodation or be prevented from forming a household at all. There may also be broader impacts on other authorities, increasing the housing pressures they face. That said, it has to be acknowledged that there are some authorities that are not physically able to accommodate the projected growth in households or where to do so would have severe adverse impacts.

d. International migration flows: International migration has varied considerably over the last 20 years. However, DCLG's sensitivity analysis shows that relatively wide variation in net flows (+/- 38%) would have much smaller impacts (+14/-13%) on the number of extra households formed in England as a whole. We therefore suggest that local planning authorities with relatively small international flows should not regard this as an area of significant uncertainty.

Net-Nil migration scenario

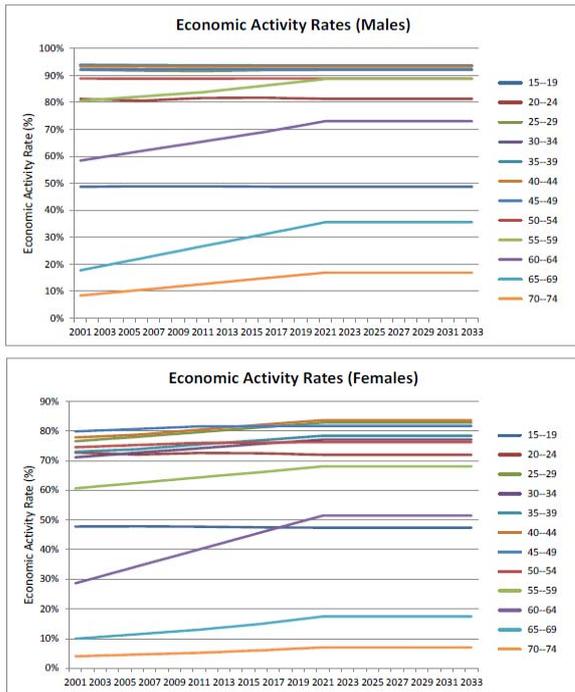
- 6.9. The Net-Nil migration scenario assumes the number of people coming into and leaving the district are the same. To follow this scenario would mean only a limited amount of house building was needed. This is not considered a realistic scenario because it would be likely to cause negative consequences in terms of affordable housing and the local economy. Furthermore, over time this would result in a declining population which would have a detrimental impact on demographics and the retention and provision of services.

Dwelling-led Scenarios

- 6.10. A scenario based on the Annual Monitoring Report housing trajectory has similar adverse implications to the net-nil migration scenario.
- 6.11. The East of England Plan and its evidence base were tested at an Examination in Public and so can be considered robust evidence. It aimed to provide an adequate rate of housing provision to meet the needs of the region's growing and ageing population. However, the RSS has now been revoked and cannot be given significant weight. This is therefore not considered a sound scenario on which to base the Local Plan

Jobs-led Scenario

- 6.12. The East of England Forecasting Model (EEFM) was originally developed for the East of England Development Agency (EEDA) and regional partners by Oxford Economics. Its purpose was to project economic, demographic and housing trends in a consistent fashion and in a way that would help in the development of both the Regional Economic Strategy (RES) and the Regional Spatial Strategy (RSS) for the East of England.
- 6.13. The abolition of EEDA has resulted in ownership of the EEFM being transferred to the East of England Local Government Association (EELGA). Cambridgeshire County Council is to manage the Model on behalf of the Association and Oxford Economics.
- 6.14. The EEFM is primarily designed to produce economic forecasts for local authority areas.
- 6.15. The EEFM is constructed on an annual basis. Historic data for most variables has been collected over 20 years to provide a basis for estimating the relationships between variables and for forecasting future trends. Forecasts are currently made up to 2031, reflecting the end dates of the available global, national and regional forecasts. But, the longer-term forecasts should be treated with caution, as unforeseen - but inevitable - future change in key causal factors will affect forecast accuracy. Medium-term forecasts are more likely to be better approximations than shorter-term ones, as there can usually be more confidence about medium-term trends than about short-term random fluctuations around the trend.
- 6.16. By using a predefined forecast of labour force or jobs growth from the EEFM, the POPGROUP model can evaluate the demographic impact of this forecast in terms of household and population change.
- 6.17. To produce this scenario, there are three key data inputs
- 6.18. Economic Activity Rates
The economic activity rates for all areas illustrate that the rates increase for the older age groups as the projection period progresses. This reflects the expected increase in the levels of economic participation in the 55+ age group over the next 25 years, as the state pension age rises and as retirement from the labour force is postponed. This will be particularly prevalent in Uttlesford which is characterised by an aging population.



(Source: EERA)

Chart 5: Economic activity rates

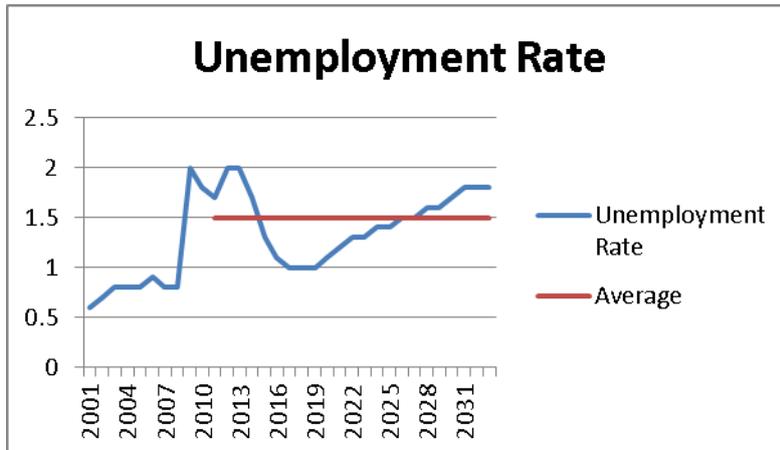


Chart 6: Unemployment Rate

6.19. Unemployment Rates

The unemployment rate has been drawn directly from the EEFM to derive greater consistency between the EEFM and POPGROUP approaches. Uttlesford reflects the general trend with a peak in unemployment in 2012, declining thereafter, and whilst in some Districts the rate remains fixed beyond 2020, in Uttlesford it is seen to gradually increase.

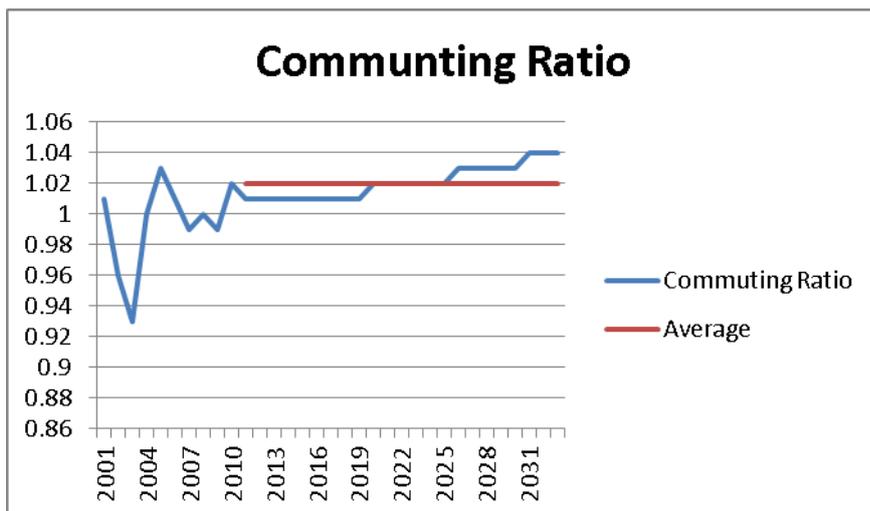


Chart 7: Commuting Ratio

6.20. Commuting ratios

The commuting ratio is similarly drawn directly from the EEFM. The ratio is an important factor in determining the balance between the number of jobs created and the number that are taken up by the local labour force. The effect of having a variable commuting ratio changes the balance between the size of the labour force and the number of jobs available in the district. As a result, the level of in-migration or out-migration required to meet a jobs forecast will be altered.

6.21. The commuting ratio measures the balance between the size of the labour force living in the district against the number of jobs in the district. A commuting ratio of less than 1 shows a higher number of jobs compared to the size of the labour force ie an area with a net 'in-commute'. A commuting ratio greater than 1 shows a smaller number of jobs to the labour force and therefore an area of net 'out-commute'. For Uttlesford, the ratio in 2001 was 1.01 and is forecast to have a ratio averaging at 1.02 indicating no change to the trend of a marginal net out-commute.

6.22. Under the economic scenario the annual jobs growth acts as a 'constraint' on population and household growth. Output from the EEFM includes a projected growth trajectory for jobs in each district. As shown in the table below, Uttlesford's jobs growth is small/static falling to an annual increase of +100 or no change. When this is compared to the growth in jobs forecast when population growth is not constrained it can be clearly seen that under the economic scenario the growth in jobs levels out. The low growth in jobs towards the end of the plan period results in the jobs total being too small to meet the required economic activity rates of the local labour force and the balance of in-commuters. Hence, the continual out-migration from the district and the possible rise in unemployment rates.

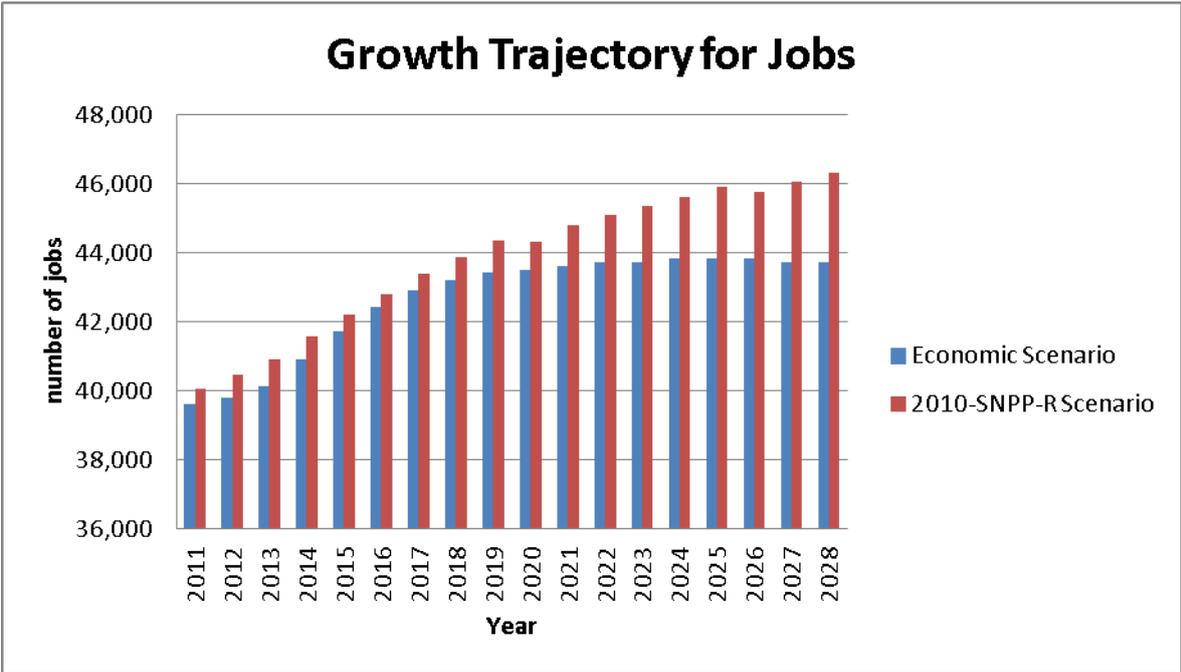


Chart 8: Growth Trajectory for Jobs

7. Recent statistical releases

7.1. The table below sets out the demographic evidence released since 2010 and what is due to be released in 2013.

| | Mid-year population estimates (MYE) | National Population Projections (NPP) | Sub-national Population Projections (SNPP) | Sub-national Household Projections (HP) |
|------|-------------------------------------|---------------------------------------|--|---|
| 2010 | MYE-1009 | | SNPP 2008-base | HP 2008 |
| 2011 | MYE-2010 | NPP 2010-base | | |
| 2012 | Census-2011 MYE-2011 | | SNPP 2010-base SNPP 2011-base | |
| 2013 | MYE 2012 | NPP 2012-base | | HP 2011 |

2011 Mid-Year Estimates

7.2. ONS uses the ten-yearly Census results as the basis for producing the MYEs. The most recent Census was on 27 March 2011 (with the previous Census taking place on 29 April 2001). The Census-based population estimates become the benchmark, or starting point for the production of annual mid-year population estimates in the years between censuses. The method involves 'rolling forward' the population from the previous year by ageing the population on and using birth, death and migration data to produce estimates for each Local Authority in England and Wales.

7.3. Phase 4 of the Great Essex Demographic Forecasts compares the 'rolled-forward mid-2011 population estimates' (rolled forward from 2001) with the 2011 Census-based MYEs. The former differ from the 2011 Census-based MYEs in that they have been produced by rolling forward LA populations from the 2001 Census. They do not take account of the 2011 Census results; in other words they represent what the mid-2011 estimates would be if the 2011 Census had not happened.

| Area | Rolled Forward MYE | Census based MYE | Difference | % difference |
|------------|--------------------|------------------|------------|--------------|
| Uttlesford | 78,667 | 80,032 | 1,365 | 1.7% |
| study area | 2,863,955 | 2,899,031 | 35,076 | 1.2% |

7.4. The percentage difference between the rolled forward and the census based MYE for all areas is 1.2% whilst in Uttlesford it is 1.7%. This suggests that, notwithstanding any error in the 2001 population total, the latest 2011 statistic is slightly higher than the mid-year population estimates calculated for Uttlesford since 2001 would have suggested.

7.5. When these estimates are broken down by age it is evident that for some age groups, the rolled forward estimate under-estimated the population for most age groups; particularly in the 20-24 and 30-34 age groups when compared with the Census-based estimate. However it overestimated the population of the younger age groups especially the 0-4 age when compared with the Census-based estimate.⁶

7.6. It is also possible to compare the age profile between what the 2010-based SNPP forecast for 2011 and the 2011 census findings. The differences are not particularly significant. The SNPP overestimated the population of under 15 year olds and underestimated the working age population.

| Table 7 Comparison of age profile at 2011 between 2010-based SNPP-R and 2011 Census | | | |
|--|-------------|-------------|------------|
| | SNPP 2010-R | 2011 census | difference |
| 0-4 | 4856 | 4649 | -207 |
| 5-10 | 6088 | 5977 | -111 |
| 11-15 | 5440 | 5418 | -22 |
| 16-17 | 2257 | 2288 | 31 |
| 18-60 | 42423 | 43154 | 731 |
| 61-65 | 5299 | 5279 | -20 |
| 66-74 | 6390 | 6365 | -25 |
| 75-84 | 4347 | 4406 | 59 |
| 85+ | 1841 | 1907 | 66 |
| | 78941 | 79443 | 502 |

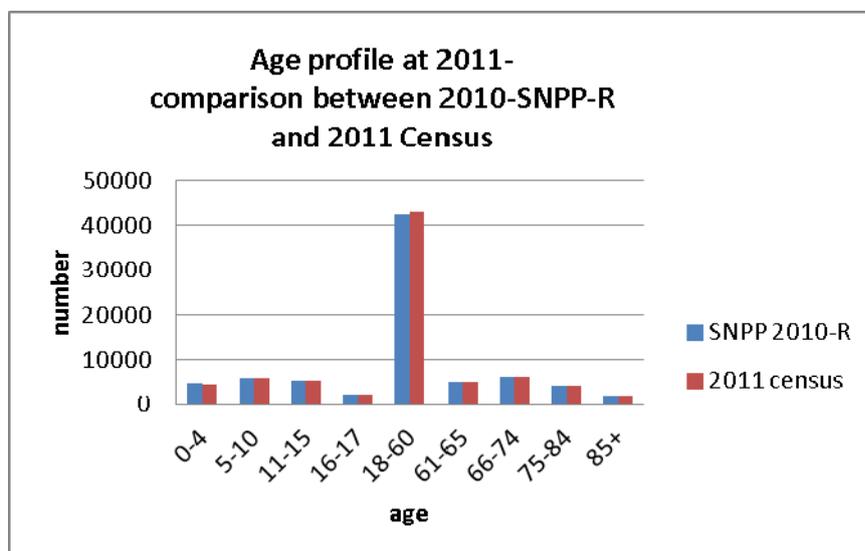


Chart 9: Comparison of age profile at 2011 between 2010-based SNPP-R and the 2011 census

⁶ Figure 31 – rolled forward population estimate vs new Mid-year estimate 2011 (Phase 4 Great Essex Demographic Forecasts January 2013)

2011-based sub national population projections

7.7. Phase 4 of the Great Essex Demographic Forecasts published by Edge Analytics (January 2013) considers the interim 2011-based SNPP and compares it with the 2010-based SNPP. Interim 2011-based SNPP were published following the publication of the 2011 census based MYE described above. The 2011-based SNPP are 'interim' because they assume a continuation of the estimated trends in fertility, mortality and migration used in the 2010-based projections. The trends from the 2010-based projections have been used because a revised historical data series is not yet available to update national and local assumptions.

7.8. In Uttlesford the difference between the 2010-based and the 2011-based SNPP is small showing only an increase of 830 in the projected 2021 population. This can be seen by the red line in the graph below.

| | Projected 2021 population 2010-based SNPP | Projected 2021 population 2011-based SNPP | Difference | % Difference |
|------------|---|---|------------|--------------|
| Uttlesford | 90,739 | 91,569 | 830 | 0.9% |
| study area | 3,149,309 | 3,185,041 | 35,732 | 1.1% |

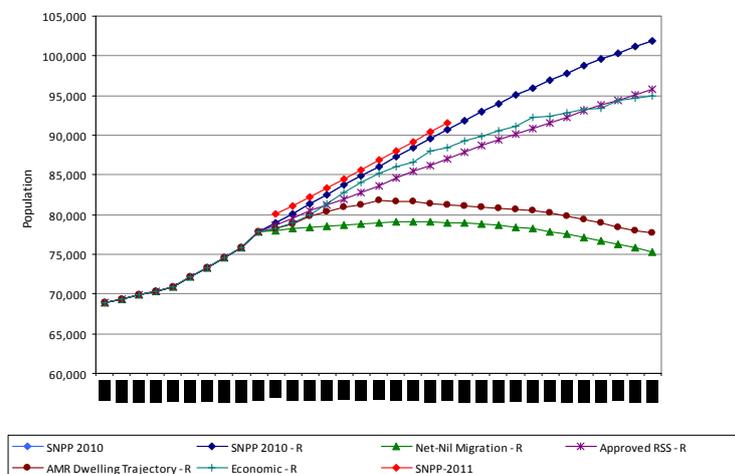


Chart 10: Population Projections of different scenarios

7.9. When the comparison of these population projections is broken down by components of change (natural change, internal migration and international migration) they are very similar in both the 2010-based and 2011-based projections⁷.

⁷ Figures 6-8 (Phase 4 Great Essex Demographic Forecasts January 2013)

DCLG Household Interim Projections, 2011 to 2021 for England

7.10. These projections are National Statistics on projected number of household in England and its local authority districts to 2021. The figures are based on the interim 2011-based sub-national population projections (SNPP), which in turn is based on the 2011 census based mid-year estimates, both of which are described above.

| Table 9: Household Interim Projections 2011 – 2021 | | | | | | | | |
|---|--------|------------------------|-------------|--------|------------------------|-------------|--------|------------------------|
| 2011 | | | 2016 | | | 2021 | | |
| HH | Pop | Average Household Size | HH | Pop | Average Household Size | HH | Pop | Average Household Size |
| 31,548 | 78,887 | 2.50 | 33,992 | 84,484 | 2.49 | 36,322 | 90,326 | 2.49 |
| HH – Households Pop – Household Population | | | | | | | | |
| Source: Live table 427 on household projections DCLG 2013 | | | | | | | | |

7.11. The interim 2011-based household projections indicate that over the 10 year period the number of household is projected to grow by 4774 but the average household size decreases by 0.01%.

7.12. There is not a direct correlation between the numbers of households and the numbers of dwellings and a conversion factor needs to be applied to the former to produce the latter. This is to take account for the fact that some dwellings will be vacant/ unoccupied, some will be second homes/holiday accommodation and some households will share accommodation. The Greater Essex Demographic Forecasts applied a conversion factor or 96.5% derived from the 2001 census⁸. Data from the 2011 Census on households and dwellings indicates a conversion factor of 95.3%.

7.13. Applying the 2011-based conversion factor, the number of homes required to accommodate an additional 4774 households equates to 5005 dwellings 2011 to 2021 or an average of 500 dwellings a year. This is lower than the 523 dwellings per year based on the 2010-based SNPP. The number of households formed will vary according to local economic activity and the housing market. Whilst both projections are based on trends data for the proceeding 5 years, the 2011 interim projections take the 2011 mid-year population estimates as their starting point. It is considered that the 2010 household projections reflect a time when people had more confidence in the economy and bought houses whilst the interim 2011 SNPP is reflective of a less buoyant economy with people less willing to set up home.

⁸ Appendix 2 Greater Essex Demographic Forecasts Phase 2 incorporating Phase 1: (March 2012)

7.14. For England as a whole, the 2011-based projections show a lower growth in households compared with the 2008-based household projections. This is not the case in Uttlesford however, where the 2008-based household projections forecast an increase of 8000 households between 2008 and 2028 which equates to 400 households per annum⁹.

7.15. This lower growth in household formation found nationally by the 2011 household interim projections is likely to be due to the projected fall in households headed by younger people; and this trend can be seen in Uttlesford.

7.16. Chart 11 below shows that for Uttlesford the increase in households headed by the younger age groups is projected to be relatively lower than the increase in households headed by older people. The highest increase in the number of households is projected to be for those headed by someone between 55 and 64 years old. By contrast the number of households headed by someone aged under 25 is projected to decrease slightly.

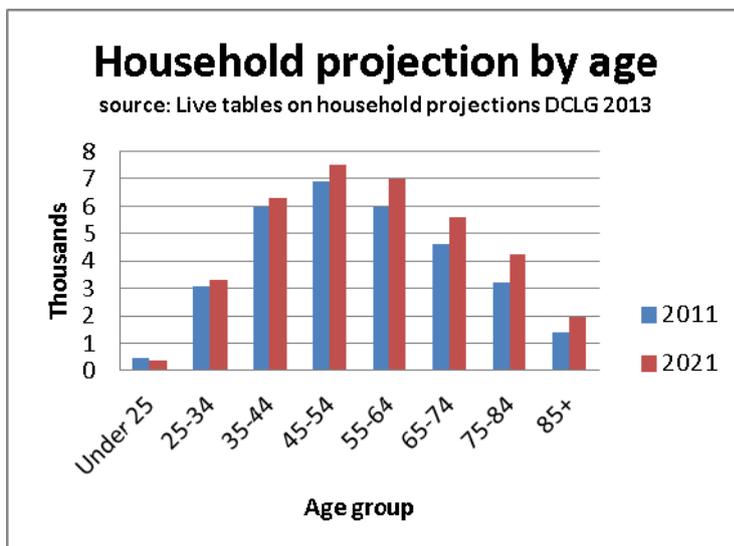


Chart 11: Change in Household Projections by age

7.17. Chart 11 also shows the increase in households headed by people over 75 years. The housing needs of older people will become increasingly important in the district. As part of the SHMA, a report on New Specialist Housing Requirement for Older People' has been prepared. National housing strategy is to encourage local authorities to make provision for a wide range of housing types across all tenures, including accessible and adaptable general needs retirement housing, and specialist housing options including sheltered and Extra Care Housing. The benefits of providing specialist housing provision for older people include the release of general housing. The development of more retirement housing can reduce under occupancy and make more family homes available for younger people. In response to national policy, Essex County Council has produced a Joint Strategic Needs

⁹<https://www.gov.uk/government/publications/household-projections-2008-to-2033-in-england> (live table 406 Household projections by district, England, 1991-2033)

Assessment (2008) and an Adult Social Care Position Statement (2012). The Essex approach identifies a continuing need for specialist accommodation for older people, and to work with Housing Authorities and the housing market to increase the use of extra care housing.

7.18. Within the London Commuter Belt East market sub-region, Uttlesford has the highest forecast growth in population aged 75+. The 2010-based SNPP forecasts a doubling of the 75+ aged population from about 6,000 in 2011 to about 12,000 in 2029.

7.19. To assist in meeting this need the Council has granted planning permission at Moat House Great Easton (60 care and 26 extra care beds) and High Lane Stansted (60 bed care home). The new Local Plan is proposing 3 Extra Care Housing schemes in Saffron Walden, Great Dunmow and Elsenham providing a total of 185 beds plus a care village in Newport and sheltered accommodation in Stansted Mountfitchet. The hope is for the Extra Care Housing at Saffron Walden and Great Dunmow to be provided and managed through a Registered Provider. However the grant application to the Homes and Community Agency for these schemes was unsuccessful. Provision of this accommodation is therefore now subject to negotiation with the developer. This accommodation is more likely to provide care for existing residents thus releasing their homes for younger households, increasing the churn of existing housing stock and in effect the amount of housing available.

7.20. The biggest increase in households (56%) is seen in couples with or without dependent children, but with no other adult. One person households accounts for 14% of the increase which contributes to the decrease in the average household size.

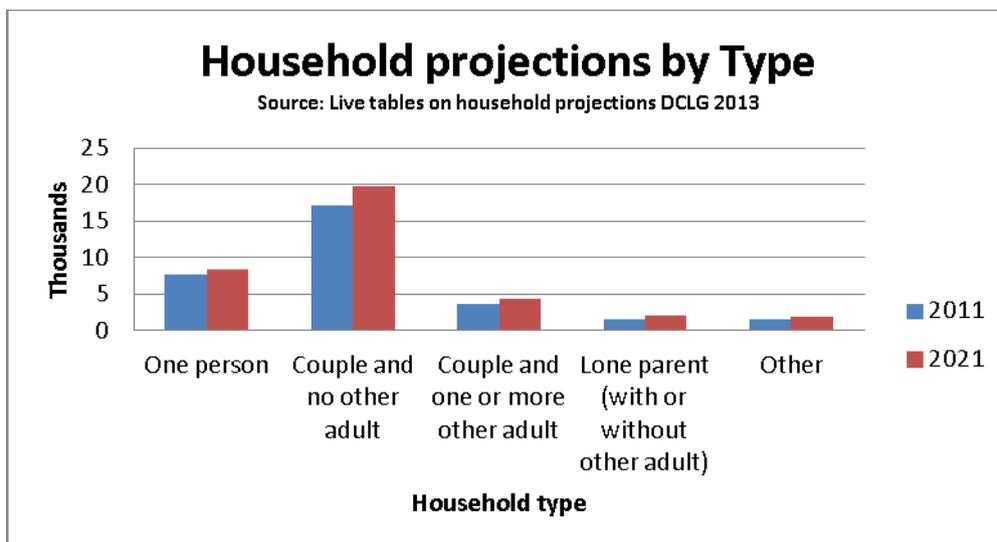


Chart 12: Change in household projections by type

7.21. Just over half (55%) of the increase in households between 2011 and 2021 is projected for households without any dependent children. This reflects the growth in one person households.

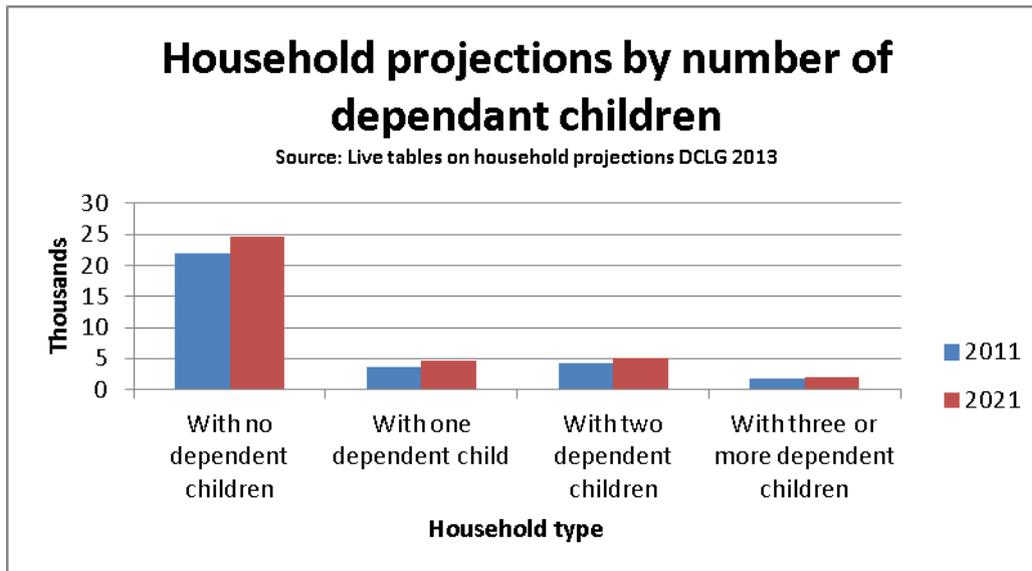


Chart 13 Change in household projections by number of dependent children

7.22. The 2011-based household interim projections are based on the 2011 census.

The projections are trend based reflecting the recent historical pattern of population growth but taking into account the lower growth in number of households. Although these historic rates have occurred at a time of economic recession the district has experienced high rates of dwelling completions, indicating that the local economy is relatively strong.

7.23. The work undertaken by the University of Cambridge¹⁰ which asks the question “to what extent might it be legitimate to vary the assumptions made in the official population and household projections?” considers that in relation to household formation rates it is not surprising that rates have varied over the last 10 years given the extent of economic and housing market volatility. It concludes that it seems likely that the changes seen in recent years are a departure from the longer term trends on which government projections are based and that a return to something closer to previous trends can be expected if and when economic conditions improve. They therefore suggest that it would be appropriate for local authorities to plan on the basis of household formation patterns assumed in the official projections unless there is strong local evidence to the contrary.

¹⁰ Choice of Assumptions in Forecasting Housing Requirements: Methodological Notes (Cambridge Centre for Housing and Planning Research March 2013)

8. Spatial implications of trend based and jobs led scenarios

8.1. In January 2012 the Council consulted on the Role of Settlements. A review of the towns and villages had indicated that the towns as main service centres are suitable for larger scale development and the facilities found in the key villages mean that they are suitable for a scale of development that would reinforce their role as a provider of services to a wider rural area. Meanwhile the villages are suitable for a scale of development that would reinforce their role as a local service centre or as a provider of services to its own community.

8.2. A report considered by Cabinet on 10 May 2012 concluded that a strategy based on the existing settlement hierarchy is supported by the evidence base.

8.3. The proposed draft plan (Position Statement March 2013) can accommodate the scale of growth proposed under the economic scenario under the proposed strategy as follows. The chart below clearly shows the distinction between the scale of growth in the towns compared to the key villages.

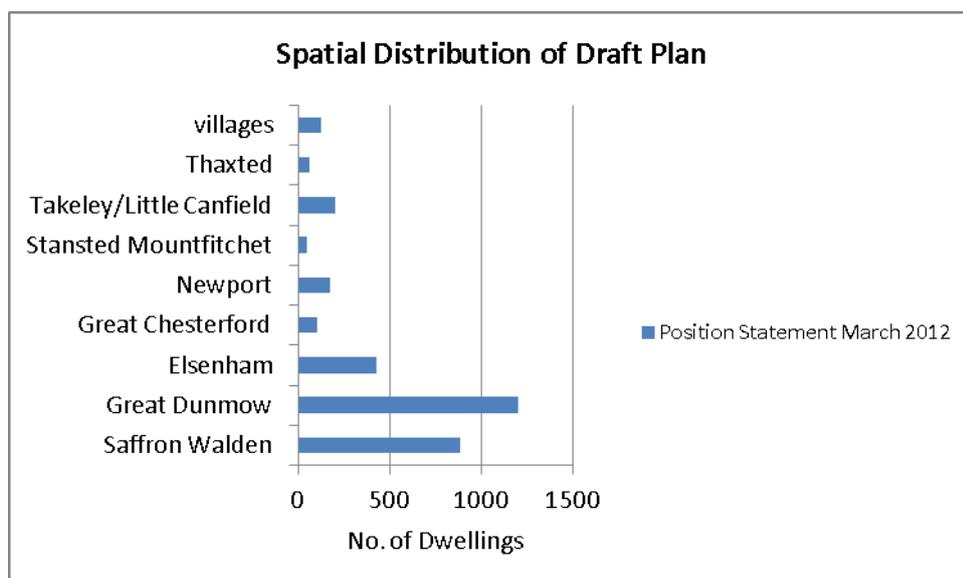


Chart 14: Spatial Distribution of Draft Plan

8.4. A 15 year plan based on the SNPP 2010-R scenario would need to provide 7845 dwellings as compared to 6225 dwellings based on the economic scenario.

8.5. The process of selecting additional sites should be based on the results of the Strategic Housing Land Availability Assessment (SHLAA). The key findings of the 2012 SHLAA is that there are sites which could delivery 8631 houses as set out in the table below.

| Table 10: Number of Deliverable and Developable sites in 2012 SHLAA | | | | |
|--|---------------------------------|--------------------------------|-----------------------------------|-------|
| Capacity deliverable prior to Year 1 | Capacity deliverable Year 1 - 5 | Capacity Developable Year 5-10 | Capacity Developable Year 10 - 15 | Total |
| 233 | 5210 | 2387 | 801 | 8631 |

- 8.1. Additionally, there are further sites which could be achievable if issues concerning access can be overcome and/or would be suitable should the Council accept a change in policy concerning Metropolitan Green Belt boundary, or loss of employment land, or loss or relocation of playing pitches or allotments. Furthermore six sites for new settlements have been considered in the assessment.
- 8.2. In conclusion therefore, the SHLAA shows that there is an oversupply of deliverable sites identified to meet this additional requirement. This means that not all the sites need to be proposed and it is possible to meet a higher growth scenario.

9. Demographic implications of trend based and jobs led scenarios

9.1. It is important to consider how the trend based and the economic Scenarios would affect the demographic profile of the district over time, especially as the economic scenario would constrain population and household growth. Both the 2010-based SNPP and the Interim 2011-based SNPP are considered. As previously explained the 2011 based SNPP is interim – it takes into account the 2011 census but continues to use 2010-based fertility, mortality and migration trends. It also only covers a ten year forecasts to 2021. However it is considered worthwhile comparing it to the 2010 SNPP to identify any differences.

9.2. The following charts show, for the 3 scenarios, projected population growth for two groups of the population – age 18 to retired (ie economically active) and retired to aged 75. The age of retirement is taken as 60 for females and 65 for males.

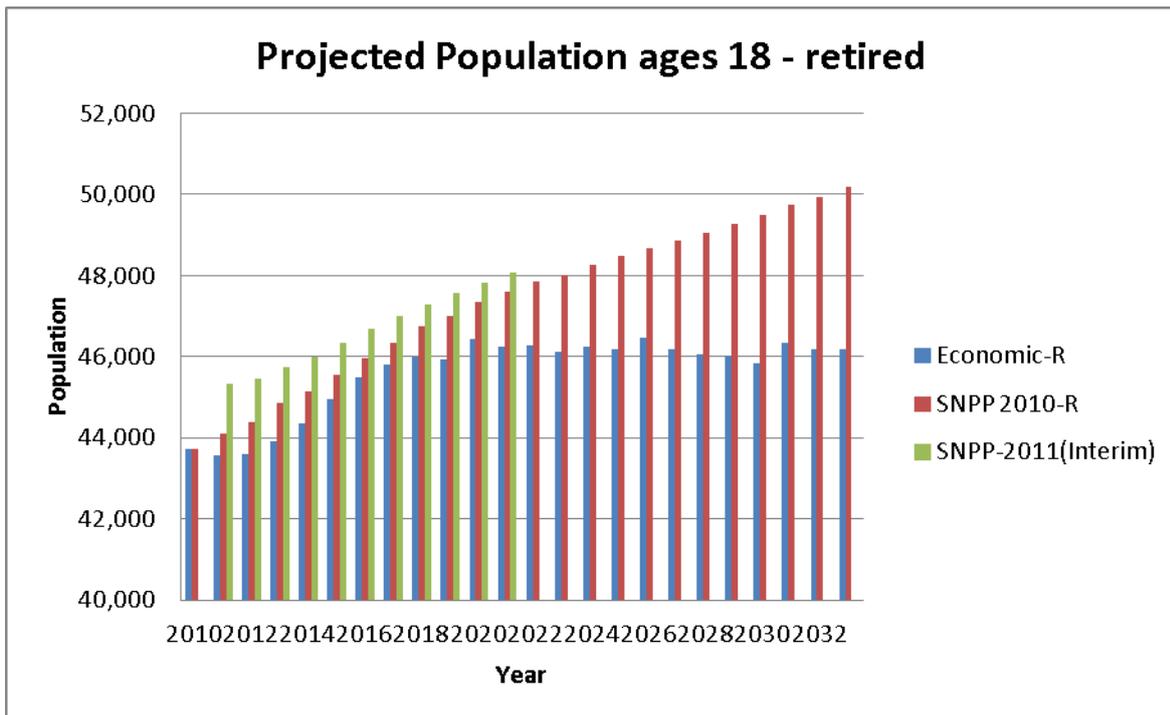


Chart 15: Projected population for ages 18 – retired under different scenarios.

9.3. From 2011 the SNPP-2010 projects the economically active population increasing at a steady rate. There is a similar increase under the Interim 2011 SNPP but starting from a higher population base. Under the economic growth scenario the population grows at the same rate as the SNPP projection until about 2018 after which the population under the economic scenario remains constant whilst the population under the SNPP continues to

grow. This reflects the fact that the economic growth scenario constrains the population growth.

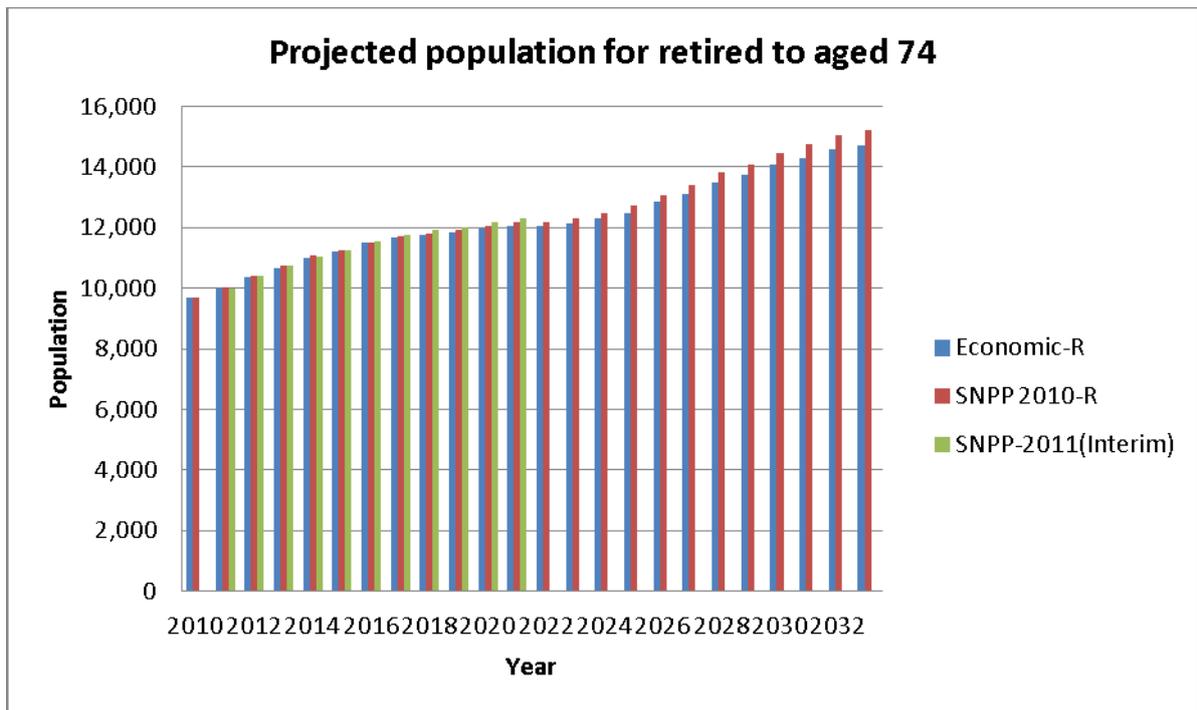


Chart 16: Projected population for retired to ages 74 under different scenarios.

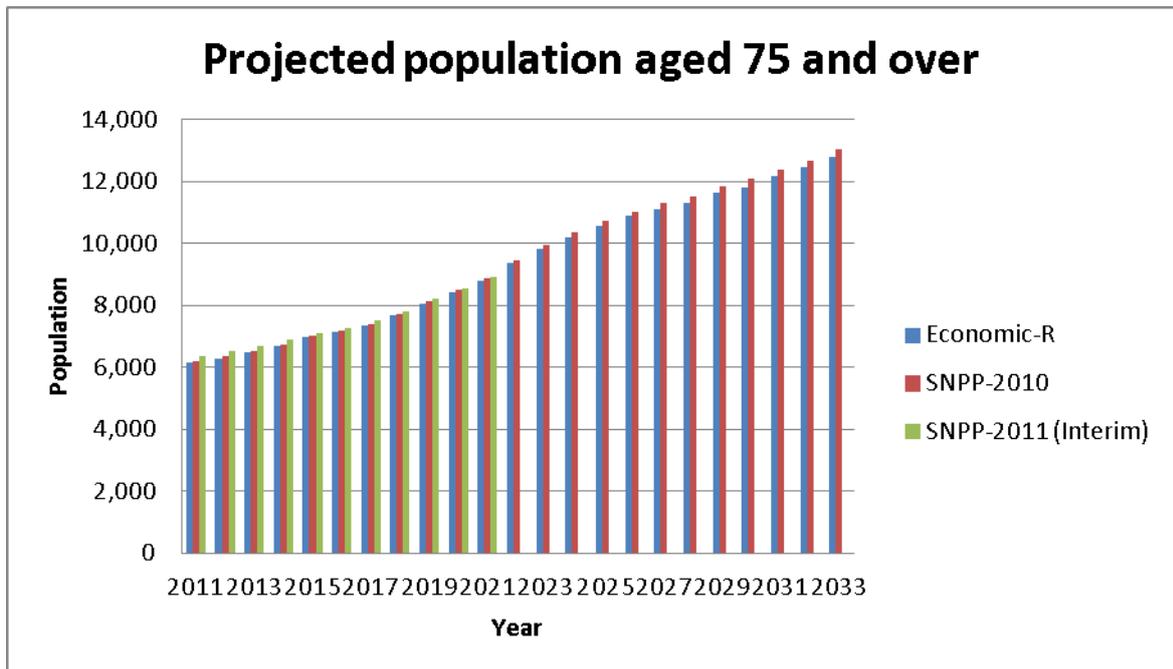


Chart 17: Projected population for ages 75 and over

9.4. Under the three growth scenarios the retired population remains very similar with the greatest differential occurring 2026 onwards between the 2010 based SNPP and the economic scenario. The economic scenario does therefore not appear to constrain the retired population as significantly as it does the economically active population.

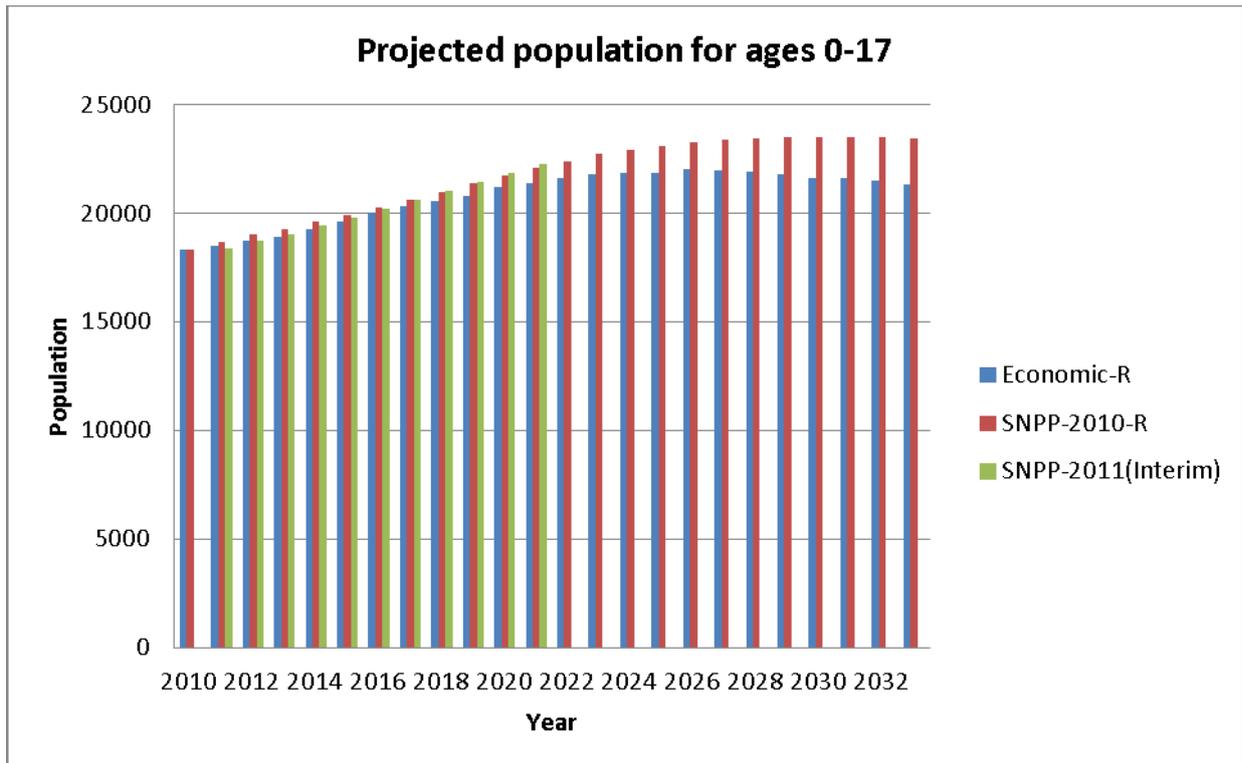


Chart 18: Projected population for ages 0-17 under different scenarios.

9.5. The population projections for 0-17 year olds reflects a similar pattern to the economically active group with a very similar increase in population in all scenarios until about 2020 after which the population under the economic scenario evens out and falls whilst under the SNPP-2010 scenario it continues to increase, until becoming stable from about 2028.

9.6. It is also important to consider the change in household types over the plan period. The CLG household types are explained in the glossary.

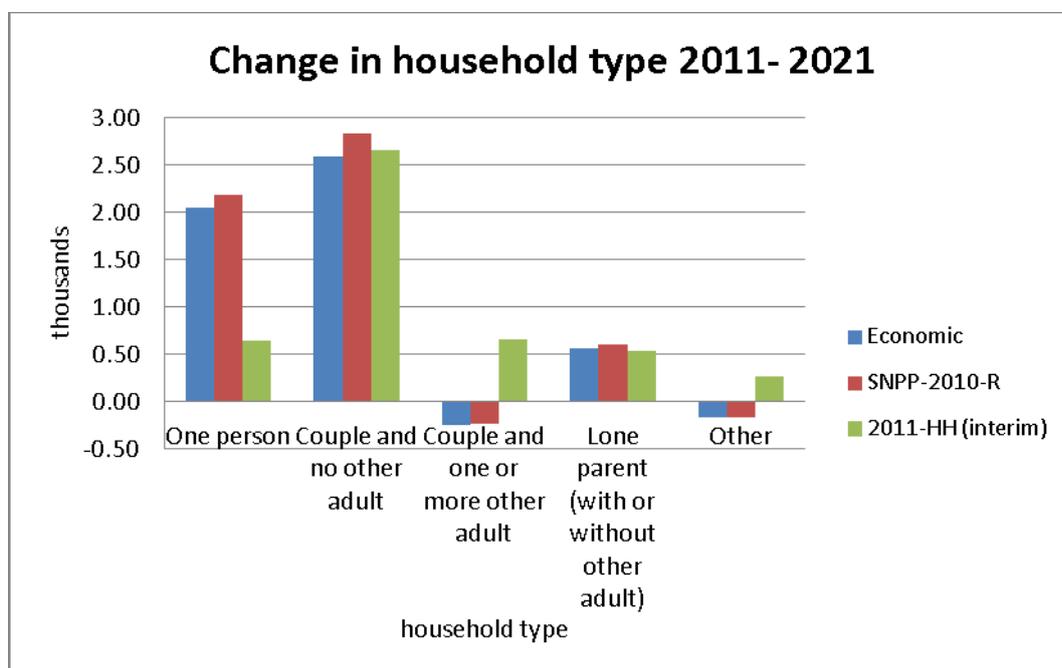


Chart 19: Comparison of change in household type by scenario

9.7. Chart 19 compares the change in household type forecast by the 2010-based SNPP; the economic scenario and the interim 2011-based household projections. The household projections forecast an increase in all types of household but a significantly smaller increase in one person households. This may reflect the protected fall in households headed by under 25 year olds.

10. Employment implications of trend based and jobs led scenarios

10.1. Uttlesford is a thriving and prosperous area. It is not, however, performing to its full potential. The Economic Development Strategy (2012-2014) seeks to help the performance of the Uttlesford economy by enabling people, communities and business to be what they want to be by providing:

- Help to start and stay in business;
- Help to start exporting or export more;
- Access to superfast broadband;
- Help for town centres with their viability and vitality;
- Help for business to expand in or locate in Uttlesford; and
- Help to persuade more people to visit Uttlesford.

10.2. The average annual jobs totals provide an estimate of the number of new jobs that would result from each growth scenario, taking into account population, economic activity rates, unemployment rates and commuting ratios.

| Scenario | Jobs | | |
|--------------------------------|-----------------|------------------|--|
| | Total 2010-2033 | Average per year | Total 2011 - 2028 |
| SNPP 2010- R | 8073 | 351 | 5967 |
| Economic – R | 4600 | 200 | 3400 |
| Employment Strategy Policy SP3 | | | 7800 of which some 1,200 will be in offices, factories and warehouses |

10.3. Table 11 shows that the Plan has identified more than enough land to meet any of the scenarios. Depending on the national and local economy, the larger sites at Bury Lodge Lane and the extension to Chesterford Park may come forward beyond the plan period.

| The employment strategy is to accommodate new employment opportunities for 7,800 jobs in the district during the period of the Local Plan. Of these, some 1,200 jobs will be in offices, factories and warehouses for which adequate and appropriate provision will be made as set out below: | | | |
|---|------|--|--|
| | Area | Floorspace | Jobs |
| Supporting general business, industrial and warehousing use (other than those which constitute 'strategic warehousing) on 18 hectares of land north | 18ha | 37,000m2 warehousing 19,000m2 offices | @32m2/worker ⁽¹⁾ =1156 @18m2/worker = 1056 |

| | | | |
|---|--|--|--|
| east of Bury Lodge Lane; Stansted Mountfitchet | | | |
| Supporting and protecting the provision of airport related commercial uses within the airport boundary; | 136ha | At 40% plot ratio ⁽²⁾ this could deliver 544,000m ² floorspace | @ 32m ² /worker this could in theory deliver 14,000 jobs Figures taken from BAA's evidence for 2 nd Runway +5000 @35mppa (2030) 2011 @18mppa = 10,231 2021 @25mppa = 15,800 2030 @35mppa = 15,000 |
| Identifying in the Site Allocations the following sites for appropriate combinations of industrial and warehousing uses (other than those which constitute 'strategic warehousing') | | | Job range given as whole site as warehousing @ 32m ² /worker to whole site as offices @ 18sqm/worker |
| Saffron Walden SW1-Land east of Thaxted Road | 4.3ha | 4000m ² /ha = 17,200m ² | 583-956 |
| Saffron Walden Land north of Thaxted Road | 0.63ha (remainder of site has planning permission for retail and retail warehouses) | 4,000m ² /ha = 2520m ² | 79-140 |
| Saffron Walden SW5 - Land South of Ashdon Road | 1.67ha | 3,800m ² | 119 – 211 |
| Great Dunmow GD2- Land west of Chelmsford Road | 3ha (2.1ha – Planning Application) | 4,000m ² /ha = 12,000m ² (8400m ²) | 375 – 667 (263-467) |

| | | | |
|---|--|---|---|
| Start Hill | 2.2ha | 4,000m ² /ha = 8,800m ² | 275 – 489 |
| Hartford End Brewery | 0.93ha | 650m ² offices | @ 18 m ² /worker = 36 Type of development appropriate to this rural location means fewer jobs than this likely to be created. |
| Identifying in the Site Allocations a site of the order of 0.8 ha for B1(a) business development at Wendens Ambo; | 0.8 ha | 4,000m ² /ha = 3,200m ² offices | @ 18 m ² /worker = 178 Type of development appropriate to this rural location means fewer jobs than this likely to be created. |
| Identifying in the Site Allocating a site of the order of 19ha for B1 business development in Gaunts End, Elsenham. | Tri- Sail Towers Planning Permission Future Potential Expansion | 7,348.9m ² gross 6,596m ² B1a net (Area 6.2ha) | 430 – stated in planning application Proposal to amend the total area of site to 19ha. Taking into account existing buildings, current permission and landscaping this leaves some 6ha developable area which = 24,000m ² and range of jobs from 617 if R and D, 750 if warehousing and 1,333 if offices. |
| Identifying in the Site Allocations a site of 3ha at the Auction House, Alsa Street, Stansted for related businesses. | 3ha | A 3 ha site could potentially deliver 12,000m ² @ 4000m ² /ha but the intention is that the site should be used for small | Job creation is likely to be minimal. |

| | | | |
|---|-------------------|---|---|
| | | scale workshops or extension to support the auction house function | |
| Enabling and supporting the further development of the Chesterford Research Park (R and D – not contributing to 1,200 jobs growth total) | 8.4ha (extension) | Current Master Plan = current = 32,500m2 increase = 24,000m2 Total = 56,500m2 Extension =12,000m2 gross estimate | Increased floorspace @38.9m2/worker = 617 Extension to Park @38.9m2/worker = 308 |
| ⁽¹⁾ Employment Densities based on Employment Land Review (Paragraph 11.1 and Table 33) ⁽²⁾ Plot Ratio of 40% (i.e. 40000m2 of floorspace/ha) based on Employment Land Review (Paragraph 11.13) | | | |

10.4. The additional jobs arising from the higher population growth forecast by the SNPP reflect the relatively low unemployment rate of 1.5, a stable commuting ratio of 1.02 showing only a slight mismatch between jobs and workers, applied by the model.

10.5. A growing population is likely to have an impact on the service sector and lead to the creation of more jobs in service industries. Chart 20 below shows the forecast change in jobs. It clearly shows a growth in service sector which goes some way to explain the additional number of jobs being created by the SNPP scenario.

Uttlesford: Change in employment 2011-2031

(source: EEFM 2013 Baseline forecasts August 2013)

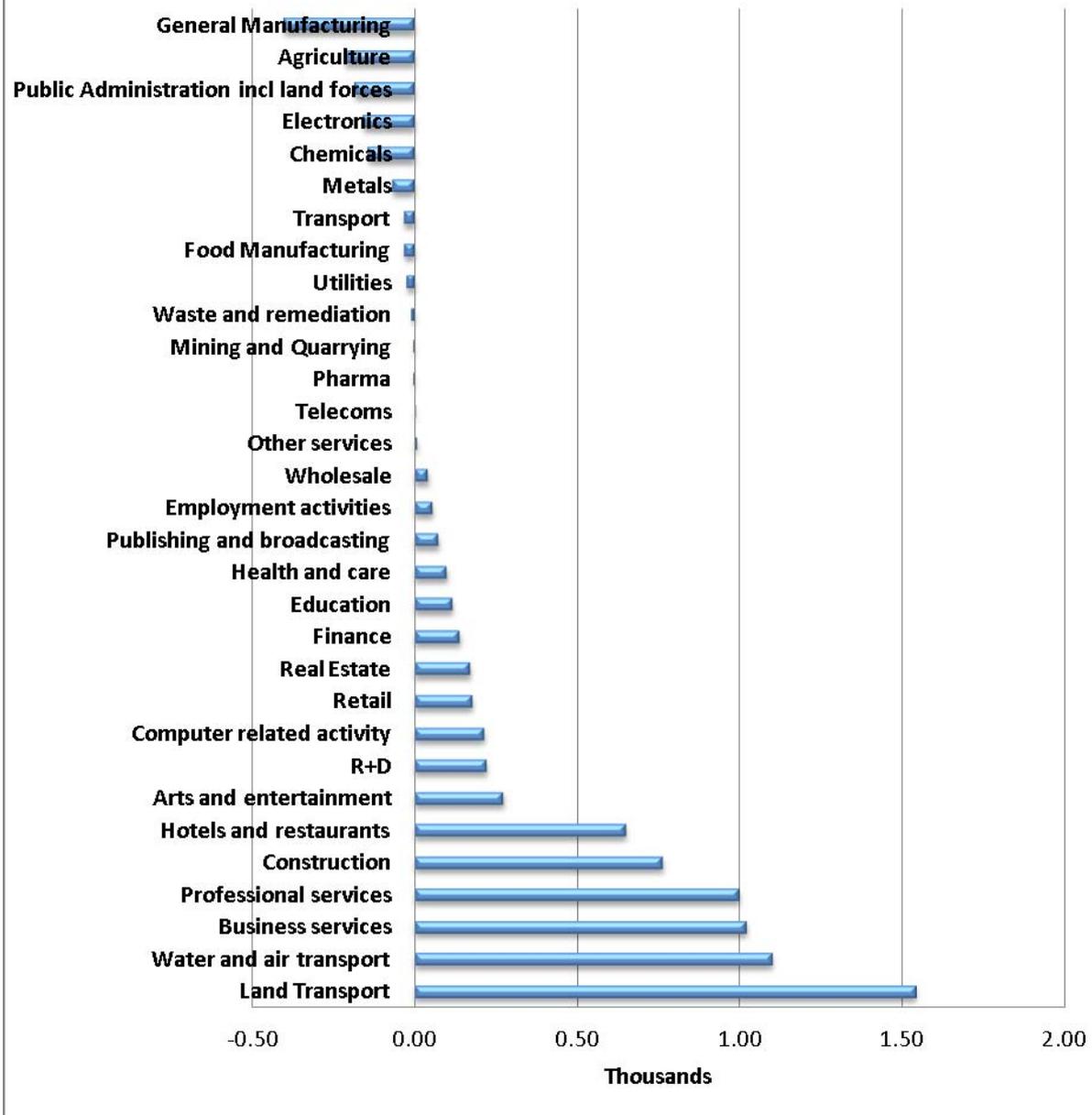


Chart 20: Change in employment by sector 2011 - 2031

11. Infrastructure implications of trend based and jobs led scenarios

11.1. The Draft Local Plan (June 2012) proposed sufficient housing to meet the growth required by the economic scenario. The infrastructure required by this scale of growth was set out in the policies. For the most part this involved the provision of infrastructure through developer contributions.

11.2. A scale of growth based on a trend based scenario would require the allocation of additional housing sites than that proposed in the 2012 Draft Local Plan which will have implications on the infrastructure provided. It is recognised that this scale of growth will place pressure on the infrastructure but the NPPF requires authorities to positively seek opportunities to meet the development needs. In order not to meet our objectively assessed need the adverse impacts on infrastructure would need to be significant and demonstrably outweigh the benefit.

Highways

11.3. The developer, Essex County Council and Uttlesford District Council can work together to assess the impact of the development on the existing road network and the necessary improvements and mitigation measures. It is recognised that mitigation will not improve the capacity of every junction but it is considered that there are achievable solutions which will bring about the most benefit to most users which will not constrain the Council in meeting its objectively assessed housing need.

Education

11.4. The developer, Essex County Council and Uttlesford District Council can work together to assess the current capacity of schools, the number of pupils arising from the development and whether financial contributions are required or land/buildings for a new school need to be provided on site. The provision of education provision is not considered to be a constraint to the Council meeting its objectively assessed housing need.

Water supply and waste water treatment

11.5. The developer, the appropriate water/sewerage authority and Uttlesford District Council can work together to assess the current capacity of the sewerage network, the Waste Water Treatment Works, and the receiving watercourse and the impact of the development.

11.6. The Water Cycle Study confirmed that although high levels of water efficiency in developments are required water can be supplied without the need for major infrastructure upgrades. The study did identify that the network and treatment works would require upgrading in some locations to accommodate the development. Upgrading of the system will be funded by the relevant water authority through sewerage charges. The provision of water and the

disposal of waste water are not considered to be constraints to the Council meeting its objectively assessed need.

Health Care

- 11.7. The developer, NHS England, the Clinical Commissioning Group and Uttlesford District Council can work together to assess the current capacity of primary health care and the impact of the development. Developers will be requested to undertake Health Impact Assessments as appropriate and it may be necessary to provide financial contributions or land/buildings for new health services to be provided on site. The provision of primary health care is not considered to be a constraint to the Council meeting its objectively assessed need.

Open space and recreation

- 11.8. The developer, Uttlesford District Council and the town or parish council can work together so that the development provides the appropriate scale of recreational and open space for the development in accordance with the Council's standards. The provision of recreational and open space is not considered to be a constraint to the Council meeting its objectively assessed housing need.

12. Implications of trend based and economic based scenarios on specific policies of the National Planning Policy Framework

- 12.1. The NPPF requires authorities to meet their objectively assessed need unless
- Specific policies in the Framework indicate development should be restricted. For example, those policies relating to sites protected under the Birds and Habitats Directives (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.

Sites protected under the Birds and Habitats Directive

- 12.2. The appropriate assessment of the plan under the Birds and Habitats Directives has determined that none of the site allocations, strategic policies and development management policies will have a significant effect on any of the following:
- Special Area of Conservation (SAC)
 - Special Protection Area (SPA)
 - Or Ramsar Site

Sites of Special Scientific Interest

- 12.3. Uttlesford has the largest number of SSSIs in the County. The 13 sites cover 632ha. Hatfield Forest is the District's largest site at 411ha. The Sustainability Appraisal of sites for the Role of Settlements and Site Allocations DPD January 2012 only identifies four sites which could have an impact on a SSSI. The commentary notes however that it may be possible to mitigate any impacts or seek the delivery of only part of a site. Notwithstanding this there are sufficient sites which do not impact on SSSI.

- 12.4. It is therefore considered that the Council can meet its objectively assessed housing need without significant and demonstrable impact on SSSI.

Metropolitan Green Belt

- 12.5. The Green Belt in Uttlesford lies around the south western edge of the District and is the outer limits of the London Metropolitan Green Belt. The Green Belt forms 6%
- 12.6. The Council's Green Belt Scoping Review 2011 makes concludes that as the majority of the district's settlements lie beyond the Green Belt it should be possible to identify sufficient land to accommodate the necessary amounts of development in a sustainable manner without incursion into the Green Belt.

Local Green Space

- 12.7. The NPPF enables Local communities through local and neighbourhood plans to identify for special protection green areas of particular importance to them.
- 12.8. The Council has not designated such spaces but does have a policy protecting traditional open spaces. These spaces are not of a scale or in locations which would prevent the Council from meeting its objectively assessed housing need.

Designated Heritage assets

- 12.9. The District benefits from a large number of listed buildings, ancient monuments, and conservation areas. The Council holds detailed information on these assets will be able to assess the impact of development sites. Any significant and demonstrable impacts will have been identified in the Strategic Housing Land Availability Assessment but there are still sufficient sites to meet the Council's objectively assessed need without significant or demonstrable impact on designated heritage sites.

Areas at risk from flooding

- 12.10. The strategic flood risk assessment March 2008 considers that it should be possible to avoid developing within flood zones 2 and 3, therefore eliminating all but the very extreme fluvial flood risk.

Area of Outstanding Natural Beauty; Heritage Coast; National Park

- 12.11. Uttlesford District does not contain any Areas of Outstanding Natural Beauty, Heritage Coast or National Park.

13. Conclusion – are there any reasons why the Council should not plan for its objectively assessed housing need?

- 13.1. The Council considers that its objectively assessed need is that identified by the 2010-based SNPP.
- 13.2. It accords with National Planning Policy Framework in that it meets household and population projections, taking account of migration and demographic change. It relates to more buoyant household formation rates. It can be clearly seen that a jobs based housing need constrains population and household growth. There are no legitimate reasons to vary the assumptions made in the official population and household projections.
- 13.3. The SHMA shows that in order to meet its affordable housing need a housing requirement based on the trend based forecast provides the greatest amount of affordable housing.
- 13.4. To not meet its objectively assessed housing need the Council would need to demonstrate that any adverse impacts would significantly and demonstrably outweigh the benefits when assessed against the policies in the Framework as a whole or specific policies which indicate development should be restricted.
- 13.5. One of the core planning principles identified in paragraph 17 of the Framework, upon which other policies throughout the Framework are based, is that every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and to respond positively to wider opportunities for growth. The evidence has shown that by constraining the population growth, this similarly constrains the number of houses provided, impacting on the age profile of the district, and would result in fewer jobs, which altogether is contrary to the policies in the framework as a whole. The evidence has shown that there is sufficient land to meet the housing, business and other development needs of the District and that any constraints to the infrastructure can be overcome and the infrastructure can be provided to meet this need.
- 13.6. The appropriate assessment of the plan under the Birds and Habitats Directives has determined that none of the site allocations, strategic policies and development management policies will have a significant effect on Special Area of Conservation (SAC); Special Protection Area (SPA); Or Ramsar Site.
- 13.7. Uttlesford District does not contain any Areas of Outstanding Natural Beauty, Heritage Coast or National Park. Furthermore there is sufficient land beyond or land which would not have a detrimental impact on Sites of Special Scientific Interest, Metropolitan Green Belt, Local Green Space, designated

heritage assets; and locations at risk of flooding to meet its objectively assessed housing need.

13.8. The Council therefore concludes that there are no demonstrable reasons why it should not meet its objectively assessed housing need.

14. Approach of Neighbouring Authorities

14.1. Two neighbouring authorities have adopted Core Strategies based on the Regional Strategy. The remaining authorities are in a similar position to Uttlesford and consulting on housing numbers and strategies. Uttlesford Council has not been approached by any authority under the Duty to Cooperate to assist them in meeting their objectively assessed need.

14.2. Braintree District Council

The Core Strategy was adopted in 2011 and the housing requirement is based on the former Regional East of England Plan. The Council is preparing a Site Allocations and Development Management Plan with the aim of pre-submission consultation in Autumn 2013.

14.3. Chelmsford City Council

The Core Strategy was adopted in 2008 and covers the period to 2021. The council are currently undertaking a Focussed Review which does not involve amending housing and employment targets. Public Examination hearings were held in July 2013.

14.4. Epping Forest District Council

Epping Forest District Council undertook an Issues and Options consultation in July 2012. This consultation considered the Phase 2 demographic forecasts and concluded that the SNPP scenario, the updated migration scenario, the Approved RSS scenario should be included in the consultation on the understanding that the figure would be updated by Phase 3. The Phase 3 demographic forecasts increased the annual housing requirement from 500 to 740 dwellings per annum under the SNPP-R scenario. Since the Issues and Options consultation the Council has commissioned Edge Analytics to undertake analysis of the Phases 3 and 4 data in relation to issues facing Epping Forest District and specifically the robustness of the figures on outmigration from London to the District.

14.5. Harlow

Harlow District Council consulted on the Core Strategy Issues and Options document in November 2010. The Council are considering the implications of the Demographic Forecasts and are undertaking background studies specifically on the role of housing growth in regenerating the town

14.6. East Hertfordshire District Council

East Herts District Council prepared a report to the District Planning Executive Panel in March 2012 on the Phase 2 demographic forecasts considered that the lower-middle scenario grouping (which includes SNPP-2008; Economic, and RSS) and the upper-middle scenario grouping (which includes the migration led scenario), is likely to produce positive consequences in terms of demographics, affordable housing, migration and the local economy, whilst at the same time result in an acceptable level of land-take. The Phase 3 housing requirement increased the housing requirement. A report to the District Panel Executive Panel for 25 July 2013 concludes that there is no justifiable reason for not relying on official projections as a basis for informing planning policy. The council is therefore now considering that it has to plan for the upper end of range of scenarios.

14.7. North Hertfordshire District Council (not part of Great Essex Demographic Forecasts study)

As part of preparing the new Local Plan for North Hertfordshire, a consultation on Housing Options was published in February 2013. The Council consulted on the impact of 10,700 dwellings which reflects the economic scenario and a low-trend migration scenario (which includes the impact of migration due to an estate which lies within North Herts but was originally justified to meet the needs of Stevenage) and is similar to a high trend migration which excludes migration due to this estate.

The SNPP-2008 based projections and the former RSS target are greater but are considered to be undeliverable. It is rare that the district has seen more than 700 homes completed a year, therefore for a 20 year period the options proposing over 14,000 homes are considered optimistic in terms of the construction industries and housing market's ability to build that fast. In July 2013 the Council is consulting on a number of additional sites were formally suggested to the Council as alternatives to those listed in the consultation paper. No decisions have yet been made on the number of homes that should be built in the district or on the sites which could be used.

14.8. South Cambridgeshire District Council

The Council has undertaken two consultations on Issues and Options (July 2012 and January 2013). The consultations stress the strong link between jobs and homes and seek an appropriate balance which will support the economy whilst delivering homes in sustainable locations. The Council consulted on the number of new homes that the Local Economy Forecasting Model (LEFM) an alternative model to the EEFM, and other evidence suggest would need to be provided to support the new jobs target option, so there is a close relationship between the low to high jobs targets and the low to high housing targets. In July 2013 the council is consulting on the Proposed Submission Local Plan. The objectively assessed need has been informed by the SHMA which is based on a range of projections and forecasts at national, subnational and local levels and includes data from the 2011 census. It identifies the objectively assessed need for 22,000 additional jobs and 19,000 new homes in South Cambridgeshire between 2011 and 2031. This equates to an annual rate above that identified in the Greater Essex Demographic Forecasts based on the 2010 SNPP. The Council is meeting its objectively assessed housing need within the District.

Glossary:

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| AMR | Annual Monitoring Report |
| DCLG | Department for Communities and Local Government |
| EEFM | East of England Forecasting Model |
| MYE | Mid-Year Estimate |
| NPPF | National Planning Policy Framework |
| ONS | Office of National Statistics |
| RSS | Regional Spatial Strategy |
| SHLAA | Strategic Housing Land Availability Assessment |
| SHMA | Strategic Housing Market Assessment |
| SNPP | Sub National Population Projections |
| SSSI | Site of Special Scientific Interest |

A couple with no other adults: a household which contains one family and no others, comprising of a married or cohabiting couple, with or without dependent children.

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|-------|---|
| FAMC0 | One family and no others: Couple: No dependent children |
| FAMC1 | One family and no others: Couple: 1 dependent child |
| FAMC2 | One family and no others: Couple: 2 dependent children |
| FAMC3 | One family and no others: Couple: 3+ dependent children |

A couple with other adults: a household which contains one or more married or cohabiting couple families with one or more other adults present, with or without dependent children.

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|-------|--|
| MIXC0 | A couple and one or more other adults: No dependent children |
| MIXC1 | A couple and one or more other adults: 1 dependent child |
| MIXC2 | A couple and one or more other adults: 2 dependent children |
| MIXC3 | A couple and one or more other adults: 3+ dependent children |

Lone parent household: a household which contains one or more lone parent families, but no married couple or cohabiting couple families.

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|-------|---|
| MIXL1 | A lone parent and one or more other adults: 1 dependent child |
| MIXL2 | A lone parent and one or more other adults: 2 dependent children |
| MIXL3 | A lone parent and one or more other adults: 3+ dependent children |
| FAML1 | One family and no others: Lone parent: 1 dependent child |
| FAML2 | One family and no others: Lone parent: 2 dependent children |
| FAML3 | One family and no others: Lone parent: 3+ dependent children |

One person household: a person living alone who shares neither housekeeping nor a living room with anyone else.

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|-----|-------------------------------|
| OPM | One person households: Male |
| OPF | One person households: Female |

Other household: a multi person household that is neither a couple household nor a lone parent household. Examples include, lone parents with only non-dependent children, brothers and sisters and unrelated (and non-cohabiting) adults sharing a house or flat. This category does not include households with dependent children.

OTHHH Other households

A dependent child: a person in a household aged 0 to 15 (whether or not in a family) or a person aged 16 to 18 who is a full time student in a family with parents.