

# **Brentwood Housing Action Plan**

November 2021

# Introduction

# Background

1.1 The Secretary of State published the Housing Delivery Test (HDT) 2020 measurement on the 19 January 2021 and is available to view on the GOV.UK website<sup>1</sup>.

# The purpose of this Housing Action Plan

- 1.2 This action plan has been produced to investigate the reasons for the under delivery of new housing in the borough identified through the HDT results for 2020. It sets out how the Council will respond to the challenge of building more homes faster and the actions we propose to take to address housing delivery.
- 1.3 In line with government guidance, the Council undertook stakeholder engagement during the preparation of this action plan to better understand some of the barriers to housing delivery and the actions being taken to boost housing supply.

# The need of tackling under-supply of housing

- 1.4 The HDT sits within the context of the government's agenda to boost the supply of housing. The requirement on local planning authorities to produce an action plan arose from updates to the National Planning Policy Framework (NPPF) in July 2018, as a way to monitor whether a local planning authority is building enough homes to meet its housing requirement over a three year period.
- 1.5 The Council must report on its analysis of the reasons why rates of housebuilding have not met the levels of identified housing needs for the area, and set out actions to address these issues, with the aim of boosting the delivery of housing. This is the second action plan that the Council has produced.
- 1.6 The HDT measures the number of new homes built over the previous three years against the authority's housing requirement. Local planning authorities are required to take appropriate actions where certain delivery target thresholds are not met. The consequences of failing the Test are set out in the National Planning Policy Guidance:
  - a. the authority should publish an action plan if housing delivery falls below 95%;
  - b. a 20% buffer on the local planning authority's 5 year land supply if housing delivery falls below 85%; and
  - c. application of the presumption in favour of sustainable development if housing delivery falls below 75%, subject to the transitional arrangements set out in paragraph 11 of the NPPF (July 2021).

<sup>&</sup>lt;sup>1</sup> Housing Delivery Test: 2020 measurement - GOV.UK (www.gov.uk)

1.7 It should be noted that these consequences apply concurrently. For example, if the local planning authority falls below 85% of its housing delivery target, then an action plan should be produced, as well as the application of a 20% buffer on its five year housing land supply position.

# 1. Housing Delivery Test

### The housing delivery test results

2.1 As published by the government, the HDT 2020 measurement covers the three year period 2017-18, 2018-19 and 2019-20. The measurement shows that Brentwood Borough met 55% of its housing requirement, as shown in Table 1.

Year	Number of homes required	Number of homes delivered <sup>2</sup>	HDT 2020 measurement <sup>3</sup>
2017 - 18	325	213	
2018 - 19	453	246	55%
2019 - 20	414	200	3378
Total	1,192	659	

Table 1: Housing Delivery Test 2020

# Consequences for Brentwood Borough

- 2.2 The consequences for Brentwood in relation to the HDT 2020 measurement are that the Council is required to:
  - publish an HDT action plan (therefore the publication of this document);
  - add an additional 20% buffer to the five year land supply; and
  - apply the presumption in favour of sustainable development for planning applications for / incorporating residential development.
- 2.3 It is important to note that the presumption in favour of sustainable development introduces a test, which has become known in legal cases as 'the tilted balance,' in favour of granting

<sup>&</sup>lt;sup>2</sup> Number of homes delivered in Brentwood Borough for the years 2018-19 and 2019-20 is amended from those published within the governments HDT: 2020 measurement,

https://www.gov.uk/government/publications/housing-delivery-test-2020-measurement. This amendment is due to the incorrect housing completion figures being used in the government's 2020 measurement.

<sup>&</sup>lt;sup>3</sup> The amendment in Footnote 2 results in a revised HDT: 2020 Measurement of 55% (as opposed to the 69% figure published within the governments HDT: 2020 measurement).

permission for housing development. This means local authorities will come under pressure to approve inappropriate development (i.e. development conflicting with adopted planning policies) as developers seek to rely on the titled balance arguments in favour of housing delivery. This may lead to an increase in planning appeals as adopted planning policies are tested against the presumption in favour of sustainable development. The worst-case scenario for the Council would be the loss of vitally important lower value uses such as offices, shops, pubs, restaurants and community uses to residential development.

2.4 The more obvious consequence of under-delivery is fewer homes are built to meet demand and need, which amongst other things, exacerbates the unaffordability of homes and lack of funding of infrastructure. This is because development can generate funds to provide affordable homes and infrastructure provision.

# 2. Local housing delivery performance

## Context

- 3.1 The Borough's current development plan is the Replacement Local Plan 2005, housing need targets contained within this plan are deemed by the NPPF to be out of date.
- 3.2 The Council is currently preparing a new Local Plan for the Borough which, once adopted, will supersede the Replacement Local Plan 2005.
- 3.3 The emerging Local Development Plan went through Pre-Submission (Publication Draft) Stage (Regulation 19) consultation early in 2019, with a further focused consultation later that year, following revisions to the detailed wording of some of the proposed housing allocations. The plan was submitted to the Planning Inspectorate in February 2020. The examination hearing sessions opened in December 2020, concentrating on strategic matters, with hearings on more detailed matters held from February to July 2021.
- 3.4 At the time of writing, a six-week public consultation is currently being held on a schedule of Potential Main Modifications to the Local Plan, ending on 11 November 2021. The Inspectors' will consider any representations made as a result of the consultation. Provided the Inspectors' find the plan to be sound, it is anticipated that it could be adopted by the Council in early 2022.
- 3.5 The emerging Local Development Plan proposes to allocate 22 sites across the borough for residential-led development, totalling 7,146 new dwellings to be built over the Plan period 2016-2033.



## Housing delivery & supply

Figure 1: Housing Delivery & Supply 2010/11 to 2020/21

- 3.6 The number of houses built in any given year is, in part, a reflection of the number of sites with planning permission. There is a lag between the granting of planning permission and the completion of new home on sites, often around 1-3 years for sites with detailed planning permission and potentially longer on sites with outline planning permission. The lag time between the granting of planning permission and commencement is dependent on the size of the site and other related matters such as the provision of infrastructure.
- 3.7 As at 31st March 2021, there are 1,063 dwellings that have been assessed as having a realistic prospect of delivery within a five year period (this figure factors in a 10% non-implementation).

Total Extant Permissions as at 31/03/2019	Dwellings
Sites with planning permission subject to section 106	69
Extant planning permissions on unallocated large sites	114
Extant planning permissions on small sites	239
Prior Approval (residential)	415*
Non-implementation discount (10% of supply)	-83.7
Brownfield Register Sites (with pre-planning permission)	310*
Total	1,063.3

Table 2: Deliverable supply as at 31/03/2021

3.8 In terms of the five-year housing requirement and the forecasted housing supply, Brentwood Borough can only demonstrate a suitable supply of housing for 1.95 years, substantially below requirement. The NPPF's presumption in favour of sustainable development therefore applies.

For period 01/04/2021 - 31/03/2026			
Housing need per year (using the 2014-based household projections)	453 dwellings		
Housing need per year plus 20% buffer	543.6 dwellings		
Total deliverable housing supply for period 01/04/2021 - 31/03/2026 <sup>4</sup>	1,063.3 dwellings		
Total deliverable housing supply in years for period 01/04/2021 - 31/03/2026	1.95 years		

Table 3: Housing land supply at 31st March 2021

# Barriers preventing homes from being built

#### Green Belt constraints and the lack of available, suitable land

3.9 All of the borough's countryside lies within Metropolitan Green Belt of London. That equates to 89% of the borough, the sixth highest in England by percentage of total area. Green Belt helps protect much of the high-quality agricultural land and countryside but it also constrains development opportunities. There are only a small number of strategic sites capable of delivering significant amounts of housing.

#### Preserving the historic built environment

3.10 The borough has significant built heritage. It has over 500 listed buildings, 13 Conservation Areas, 12 scheduled ancient monuments, 100s of sites of archaeological interest. The 13 Conservation Areas cover a significant proportion of the Borough's residential areas. The height of buildings in these conservation areas are relatively consistent, ranging from 2-3 storey, therefore opportunities for significant intensification of existing sites are limited.

#### Affordability

3.11 Although demand for housing in Brentwood remains high, affordability is rapidly becoming a major issue. The affordability ratio<sup>5</sup> for Brentwood Borough is 13.2, meaning the median house price in the borough in 2020 is 13.2 times median gross annual workplace-based earnings. Housing affordability in Brentwood has worsened to a greater degree than any other authority in Essex. The slow build-out rates exacerbate the situation and drives prices even higher.

#### **Brexit factor**

3.12 The economic uncertainty around Brexit was recognised to have caused disruption in the building industry and housing market in the UK; as well as Brentwood. The Purchasing

 $<sup>^4</sup>$  Not including proposed allocations in the emerging Local Plan. See Figure 3.  $^5$ 

https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebased earningslowerquartileandmedian

Managers' Indices (PMIs) and construction output statistics<sup>6</sup> shows a continued declined trend in the UK's building industry, across all subsectors including commercial construction activity, house building and civil engineering work. This further exacerbates property developers' delayed decision-making and build-out rates.

#### Covid 19 pandemic

3.13 It is clear that the effects of Covid-19 will have a significant and far reaching impact for the house building industry across the nation, including in Brentwood. Owing to the first national lockdown announced on 23 March 2020 for Covid-19, we saw disruption to the construction sector. Monthly construction output across Great Britain fell 0.2% in volume terms in August 2021 with the level of output now 1.5% below its pre-coronavirus pandemic (February 2020) level<sup>7</sup>.

### What we have done so far to ensure more homes are built

3.14 The Council has already taken a number of steps to boost the delivery of homes, including:

#### Publication of a new Housing Strategy

3.15 The Council's Housing Strategy for 2021-2026 was approved at Committee on the 16 March 2021. The strategy was developed to provide the direction and vision for the delivery of services across the Council's property, estates, sheltered and housing options teams. Key objectives within the strategy include, increasing the supply of affordable homes and delivering good quality sustainable homes.

#### Affordable house building programme

- 3.16 To address the need identified for affordable housing the Council is planning to build over 300 new Council homes over the next seven years as part of its Strategic Housing Delivery Plan. Phase 1 of the development programme will deliver 145 new homes by 2024.
- 3.17 The first 61 of these homes will be built as part of a proposal to redevelop empty and derelict homes, Council owned garages and some older homes currently occupied at Brookfield Close, Hutton. Planning permission for the scheme was granted on 29 June 2021. The benefits that the proposed re-development will bring include:
  - 61 new net carbon zero 'in use' homes the homes will become so well performing that the energy required to heat, and maintain the heat, is expected to considerably reduce. On similar projects annual heating bills have reduced to roughly £40 per annum.
  - The scheme comprises 28 houses (2, 3 and 4 Bed), including detached, semidetached, terraces and 33 apartments (1 & 2 Bed).
- 6

https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/bulletins/constructionoutputingreatbritai n/june2019#detailed-growth-rates

https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/bulletins/constructionoutputingreatbritai n/august2021

- A tenure blind mix of 31 social rent and affordable rent homes, 15 shared ownership homes and 16 open market homes.
- 3 of the affordable homes will be built to wheelchair user homes standards.
- 3.18 The Council also has a 'small sites' new homes programme in progress which aims to make use of garage and other vacant sites across the Council's Housing Revenue Account estate. The first 9 sites delivering 81 homes will be submitted for planning by May 2022.

#### Reducing uncertainty and minimising risk for developers

- 3.19 The Council's Development Management Team provide a pre-app service to review applications before their submission which aid to reduce uncertainty for developers and lowers the costs of exploring development options and unnecessary delays.
- 3.20 The use of Design Review Panels and Planning Performance Agreements (PPA) is another mechanism that significantly reduces the risk and support the delivery of housing development in the borough on larger schemes. PPA is a project management often used on large schemes to guide the proposed development through all stages of the planning process. This process sets out a timetable for decision making and ensures sufficient resources are allocated. Design Review Panels are a group of independent, multi-disciplinary construction professionals that offer early constructive discussions to help the design development process.
- 3.21 In addition, the Council has also produced an area specific Supplementary Planning Document for Brentwood Town Centre that helps to guide developers towards proposals that would be granted planning permission. This further reduces the uncertainty for developers in bringing forward housing development proposals.

#### Efficient planning process

3.22 The data on deciding planning applications shows that the Council functions efficiently. Average turnaround time for validation, including public consultation is 3.8 days, 100% of major apps were determined within 13 weeks (or with EOT), 94.3% of minor apps were determined within 8 weeks (or with EOT)<sup>8</sup>.

#### Progressing the emerging Local Plan

- 3.23 Through preparing the emerging Local Plan, the Council has sent out two calls for sites to find potential sites to be allocated. The emerging Local Plan identified sites capable of delivering 7,146 new residential dwellings (net) to be built in the borough over the Plan period 2016-2033 on land suitable for housing development.
- 3.24 It is noted the emerging Local Plans total housing provision figure of 7,146 new residential dwellings, compares to an identified need for 7,752 new residential dwellings over the Plan period. In order to identify additional supply and 'close the gap' between housing supply and housing need, at the time of writing, new Policy MG06: 'Local Plan Review' is being consulted on as part of the Schedule of Potential Main Modifications consultation. Provided the Inspectors' finds the plan to be sound, this policy commits the Council to an immediate

<sup>&</sup>lt;sup>8</sup> Figures supplied are from April – September 2021

partial review of the Plan, facilitating the allocation of further sites to meet the full identified housing need, amongst other matters.

#### Engaging with stakeholders in identifying infrastructure gap

3.25 Early engagement and focused workshop with key infrastructure stakeholders have taken place in preparing the Infrastructure Delivery Plan which provides the Council an understanding of infrastructure deficit in the context of Local Plan growth. This provides a schedule of infrastructure requirements to help support new development growth planned within Brentwood borough.

#### Identifying funding opportunities

- 3.26 The Council is working with Homes England to secure funding for new homes. Since the launch of Housing Infrastructure Fund (HIF) and other sources of funding related to the delivery of garden communities administered by Homes England, the Council has received over £750,000 of capacity funding to drive forward the Dunton Hills Garden Village project. These grants have been vital to help the Council fund a dedicated project team and key pieces of work that have informed collaborative efforts to deliver the site so far.
- 3.27 Through the Council's key partnerships with the Association of South Essex Local Authorities (ASELA) and Essex County Council (ECC), especially the working group approach, we have been able to maximise the opportunities to engage with Homes England and secure funding that not only benefits the regional approach to meeting housing needs but those needs within our Borough.
- 3.28 To support the delivery of its own programme of new council homes, the new homes delivery team is working with Homes England to obtain Investment Partner (IP) Status and access capital grant funding for additional homes through the Affordable Homes Programme (AHP) 2021-2026 funding. The Council expects to make its first bid in spring 2022.
- 3.29 The Council is exploring the opportunity to set up a 'regeneration fund' which will allow the Council to directly invest in smaller stalled sites unlocking their delivery and supporting SME developers with gaps in their funding arrangements that cannot be supported other lenders.

# 3. Next step

4.1 The Council is looking at a range of actions to boost housing delivery including:

# Developing Council owned land through the Brentwood Development Partnership

4.2 In July 2019, the Council approved the formation of a £1bn joint venture (JV) with Morgan Sindall Investments. The joint venture will bring forward new homes, public open spaces and commercial and leisure facilities in the borough. The JV will initially focus on three Council's owned sites located at William Hunter Way Car Park, Westbury Road Car Park and the Maple Close garages site. These will provide new homes together with new leisure and community facilities, boosting sustainable housing supply across the borough to meet the needs of its growing population.

#### Actions

Develop the Council owned land holdings to bring forward more market sale and affordable homes without the need to rely on third party developers.

## Directly increasing the supply of affordable homes

4.3 The following table sets out the properties to be delivered by 2024 in Phase 1 of the Council's housing delivery programme. A second Phase 2 will be developed to deliver further homes from 2024. The numbers are total homes per ward, in some wards there is more than one development site proposed.

Location or Ward	Number of homes
Brookfield Close/Courage Court	62 (46 of which are affordable)
Pilgrims Hatch	9
Brizes & Doddinghurst	7
Brentwood South	13
Brentwood North	12
Ingatestone, Fryerning & Mountenssing	32
Brentwood West	7
Hutton East	3
Total	145 (129 of which are affordable)

#### Actions

The Council has appointed to a new post of Strategic Director, Housing and Regeneration commencing in that post from January 2022. This new senior role will lead an expanded project team to progress the delivery of sites identified and in progress through the Council's Small Sites Affordable Homes Programme, which aims to better utilise land and assets to deliver genuinely affordable homes for local residents on brownfield sites over a 7 year period.

# Further opportunities for the Council to deliver a diverse range of housing options

4.4 The Council can consider the opportunities to use its company Seven Arches Investment Limited (SAIL) for the provision of properties to support meeting local housing need. The options to consider this can be explored should other methods available not achieve the outcomes needed, such as on Section 106 sites.

#### Actions

Continue to monitor the development pipeline, ensuring new development proposals achieve required outcomes.

# Improve communication with agents and developers to identify issues affecting housing delivery

4.5 Improved communication with agents and developers will lead to better understanding and identifying issues affecting housing delivery so as to ensure that planning permissions and site allocations can actually deliver the homes that people need. This is particularly important where a site failed to progress despite promotion by the Council through an allocation in the Local Plan or has ground to a halt after planning permission has been granted and/or implemented. In such circumstance, the Council will work proactively with developers, landowners and agents to bring forward development to deliver the homes we need.

#### Actions

- a. Continue to monitor the development pipeline;
- b. Build up relationships with agents and developers. Maintain dialogues between planning officers and stakeholders to monitor any issues affecting housing delivery.

## Prioritise the delivery of strategic sites

- 4.6 The Council is proactively driving forward strategic projects including Dunton Hills Garden Village (R01), land at West Horndon Industrial Estate (R02) and land North of Shenfield (R03). It is acknowledged that there are a number of barriers in bringing strategic sites forward for homes, such as:
  - a. Multiple landowners with differing interests;
  - b. High cost of required infrastructure and need to fund it upfront;
  - c. Large site with long lead in times;
  - d. Accessibility to some sites.

#### Actions

- a. Maintain the project team to progress the delivery of the site (completed for Dunton Hills Garden Village project team);
- b. Produce a Masterplan Framework and/or an SPD where necessary to reduce uncertainty for landowners and speed up development at the site;
- c. Enter into a PPA agreement with the landowners;
- d. Set out a timetable for pre-application discussions.

## Stepping up the housing requirement

4.7 The high proportion of designated Green Belt within the Borough makes it extremely difficult to achieve a five-year supply due to the fact that many sites on the edge of settlements are not available for development purposes until the emerging Local Plan is adopted. As identified in the latest Five Year Housing Supply statement, a greater proportion of the required homes is likely to be delivered in the period beyond 2026, when the sites on the edge of settlements begin to benefit from the detailed planning consents, enabling infrastructure and construction commences on these sites. Therefore, further consideration would be given to 'stepping up' the housing trajectory which uses different housing Local Plan<sup>9</sup>.

#### Actions

Ensure the housing delivery target of 7,752 homes is met fully within the plan period in accordance with government guidance by stepping up the housing requirement.

<sup>&</sup>lt;sup>9</sup> www.brentwood.gov.uk/localplan