



Submission Document CS52

Eastbourne Plan (Submission Core Strategy)

Justification for Planned Housing Provision

EBC/EIP/CS52

Date: 31st May 2012

1.0 Introduction

- 1.1 The Council has submitted a Core Strategy that is “sound”. It is justified, effective, and consistent with the National Planning Policy Framework as well as the South East Plan. The Eastbourne Plan seeks the sustainable growth of Eastbourne balanced with the needs of our communities and the protection of our very special environment and designated areas of nature conservation. The Strategy is based on a thorough review of our housing needs as well as the potential of all residential land both Greenfield and Brownfield that is available and developable. Given the tightly constrained topography shaped by its now lying coastal location, proximity to the South Downs National Park and the proportion of land that is liable to flood risk, our Strategic Housing Land Availability Assessment survey work found that there is very limited capacity for large scale Greenfield Extensions in Eastbourne. The strategy does however allow for one greenfield urban extension at the Kings Drive/Cross Levels Way site, which provides the only deliverable development opportunity on Greenfield land outside the built up area boundary.
- 1.2 The Plan therefore seeks to make the most of the available previously developed land, as well as a modest number of surplus amenity sites. Housing growth will be balanced by new community facilities and employment opportunities in the Town Centre and Sovereign Harbour to make these two important centres more sustainable. The sustainable centres will allow for regeneration of the two neighbourhoods by the provision of new facilities and services balanced alongside housing led growth. An increase in residential density will be sought in Eastbourne’s most sustainable neighbourhoods.

National Planning Policy Framework (NPPF) Requirements

- 1.3 In the provisions of the 2004 planning Regulations (as amended in 2008), the South East (SE) Plan forms part of the formal development plan for determining future applications. All of our submitted LDF Documents have thus been prepared in conformity with the South East Plan.

- 1.4 In a letter to the Council dated 19th April PINS recently advised the Council that the SE Plan may soon be revoked before the examination concludes. *“If this is the case, in any event, the Council will need to provide its own justification for the planned housing provision.”*
- 1.5 In March 2012, the Government also published a new National Planning Policy Framework (NPPF), which replaced over 1000 pages of previous Planning Policy Guidance. Paragraphs 47 – 55 of the new NPPF deal with Housing Supply. In particular paragraph 47 requires Local Plans to meet the full, objectively assessed needs for market and affordable housing in the housing market area, as far as consistent with the policies set out in this framework.
- 1.6 NPPF paragraph 178 seeks to deal with the loss of future higher level strategic planning across administrative boundaries. *“Public bodies have a duty to cooperate on planning issues that cross administrative boundaries, particularly those which relate to strategic priorities set out in paragraph 156. The Government expects Joint working on areas common interest to be diligently undertaken for the mutual benefit of neighbouring authorities.”*
- 1.7 It is appreciated that paragraph 182 of the new NPPF also advises that a plan should be based upon a strategy which seeks the objectively assessed development and infrastructure requirements including unmet requirements from neighbouring authorities, where it is reasonable to do so and consistent with achieving sustainable development.
- 1.8 The Council’s Statement of Compliance with the Duty to Cooperate [Submission Document CS9] (paragraphs 3.0 ‘Eastbourne Context’ and 4.12 - 4.14) explains the range of joint studies that have been undertaken to understand our joint needs across both the Eastbourne and South Wealden Housing Market Area. The most pertinent of which was the Strategic Housing Market Assessment (SHMA) commissioned by both Eastbourne and Wealden District Council and completed by DTZ in 2009. The resulting approach to meeting our respective joint housing needs is explained in paragraphs 3.18 and 3.19 below.

2.0 Context

The Core Strategy Planning Period

2.1 The Eastbourne Plan: Core Strategy initially covered the SE plan period from 2006-2026 but in order to provide a 15 year housing supply from the expected date of adoption in 2012, the Council added a further 222 net units for one additional year to extend the plan period to 2027. The revised housing requirement of at least 5,022 net dwellings to 2027 was subsequently subject to full public consultation as part of the Proposed Strategy (17 December 2010 – 11 March 2011).

Table 1 Housing Delivery in the First 4 Years of the Planning Period (2010)

| Monitoring Year | Annual Housing Requirement | Total Net Additional Dwellings | Net Annual Requirement for remaining years of the Plan period * |
|------------------------|-----------------------------------|---------------------------------------|--|
| 2006/2007 | 240 | 367 | 233 |
| 2007/2008 | 240 | 280 | 231 |
| 2008/2009 | 240 | 387 | 222 |
| 2009/2010 | 240 | 222 | 222 |

* To meet South East Plan target of 4,800 net dwellings by 2026.

2.2 In the first four years of the plan period (2006/7, 2007/8, 2008/9, and 2009/10), the Council exceeded its housing delivery targets. Table 1 shows that as of the end of the 2009/10 monitoring year, the Council only required 222 net units per annum to be built for the remaining years of the plan period to meet the overall SE Plan housing target. An additional 222 net units was thus agreed as a suitable requirement for the additional 2026/2027 year.

Housing Trajectory

2.4 The schedule of development sites has been updated as of 1 May 2012, to take account of the latest information on residential developments which have been completed in the 2011/2012 monitoring year (up to 31 March 2012). The schedule now includes new planning permissions granted and

newly identified sites identified since March 2011. Detail on the Revised Schedule of Development Sites and Housing Trajectory is provided in Submission Document CS38(B). The Housing Trajectory brings forward for development sites identified as deliverable in the Strategic Housing Land Availability Assessment (SHLAA) as well as newly permitted and identified residential sites. The housing trajectory directs development by identifying the year in which they can reasonably be expected to be completed:

- Within the next 4 years of the plan period (2012, 2013, 2014, 2015);
- Within the following 5 years of the plan period (2016-2021); or
- Within the last 6 years of the plan period (2021-2027).

2.5 The housing trajectory takes account of the residual windfall reliance of 1,185 net dwellings required to meet the overall housing target of 5,022 dwellings by 2027. Evidence provided in the 'Windfall Housing Delivery Briefing Note [Submission Document CS31] demonstrates that 110 net windfall units can be delivered per annum in addition to identified sites. Windfall development consists of the types of sites that the SHLAA has been unable to identify and includes: conversion developments, redevelopment on small sites, change of use on small sites outside the Town Centre and additional net units on previously unidentified sites, as outlined in the windfall methodology.

2.6 The housing trajectory illustrates that there is a limited supply of identified sites within the last 6 years of the plan period (2021-2027) as land supply reduces. Therefore windfall development will help bolster overall housing delivery to 146 net units for this period. The trajectory also shows that in order to meet overall housing requirements, windfall delivery is required from year 2016 onwards. However, windfall delivery is likely to come forward before this time, and if included in the next 5 years (as suggested in the NPPF) could increase the Council's anticipated 5 year housing land supply by approximately 12%.

3.0 Eastbourne and South Wealden Joint Housing Market Area Needs

3.1 The Council worked closely with Wealden District Council to produce a Joint Housing Market Area Assessment (SHMA) which stretches north to include South Wealden (defined as within the 'Sussex Coast' of the South East Plan) as well as the whole of Eastbourne Borough's administrative boundaries.

Historic Population Projections

3.2 The SHMA was informed by both Policy and Trend based population projections (Table 2 and 3). Due to recognised development constraints within Eastbourne population forecasts contained within the SE Plan reflected policy based household projections. Table 3 illustrates that the annual rate of housing growth in Eastbourne over the period 2006-2026 was expected to be 230 households, compared to 160 in the South Wealden area. Policy based household projections provided a more realistic assessment of future growth in Eastbourne as trend based projections (Table 2) were skewed by high levels of historic development in the Borough, particularly in the five year period of 2002-2007.

Table 2 – Trend based Household Projections 2006-2026 (SHMA, 2009)

| | 2006 | 2011 | 2016 | 2021 | 2026 | Total Change to 2026 | Annual Change |
|----------------------------------|---------------|---------------|---------------|---------------|---------------|----------------------|---------------|
| Eastbourne | 44,000 | 48,000 | 52,000 | 56,000 | 59,000 | 15,000 | 750 |
| South Wealden⁹ | 25,000 | 26,200 | 27,900 | 29,500 | 30,800 | 5,800 | 290 |
| North Wealden | 36,000 | 37,800 | 40,100 | 42,500 | 44,300 | 8,300 | 415 |
| Eastbourne HMA Area | 69,000 | 74,200 | 79,900 | 85,500 | 89,800 | 20,800 | 1,040 |
| Wealden | 61,000 | 64,000 | 68,000 | 72,000 | 75,000 | 14,000 | 700 |
| East Sussex | 226,000 | 240,000 | 256,000 | 272,000 | 286,000 | 60,000 | 3,000 |
| South East | 3,445,000 | 3,626,000 | 3,822,000 | 4,013,000 | 4,184,000 | 739,000 | 36,950 |

Source: DCLG

Table 3 – Policy Based Household Forecasts 2001-2026 (SHMA, 2009)

| | 2001 | 2006 | 2011 | 2016 | 2021 | 2026 | Annual 2001-2006 | Annual 2006- 2026 |
|--------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|-------------------------|
| Eastbourne | 41,300 | 44,800 | 45,900 | 47,100 | 48,200 | 49,400 | 700 | 230 |
| South Wealden | 24,000 | 24,300 | 25,100 | 25,900 | 26,700 | 27,500 | 60 | 160 |
| North Wealden | 34,500 | 35,000 | 36,100 | 37,300 | 38,400 | 39,500 | 100 | 225 |
| Eastbourne HMA Area | 65,300 | 69,100 | 71,000 | 73,000 | 74,900 | 76,900 | 760 | 390 |
| Wealden | 58,400 | 59,300 | 61,200 | 63,200 | 65,100 | 67,000 | 180 | 385 |
| East Sussex | 329,700 | 340,800 | 349,900 | 359,000 | 368,100 | 377,200 | 2,220 | 1,820 |
| South East | 3,295,800 | 3,433,300 | 3,577,100 | 3,717,100 | 3,855,600 | 3,994,200 | 27,500 | 28,045 |

Source: SEERA / East Sussex County Council

- 3.3 The recommendations of the 2009 SHMA advised that it was essential that the level of housing proposed in the South East Plan be delivered to support opportunities for economic growth. It identified a high proportion of future housing growth could take place in South Wealden, given that it shares an integrated labour market with Eastbourne. This was consistent with the South East Plan targets and demographic projections which show the intention to steer growth from North Wealden, where more of the districts housing growth is currently located, into South Wealden.

Affordable Housing Needs

- 3.4 The Eastbourne Housing Needs Survey (2005) was used to inform analysis of housing need in the 2009 SHMA. The SHMA concluded that around 850 affordable homes are needed each year, 370 more than available through the supply of re-lets each year (para. 1.102). Although 86% of households live in accommodation suitable for their needs, affordability is still a significant local issue especially for new households in Eastbourne.
- 3.5 With regard to meeting affordable housing need the 2009 SHMA concluded (in paragraph 1.126) that the totality of housing need is unlikely to be addressed as it is in excess of the overall South East Plan housing requirement, which matched trend based household projections. In this context it was considered reasonable to maximise the provision of affordable housing and develop policies that helped deliver priority need.

Economic Growth

- 3.6 The 2009 SHMA makes it clear that Eastbourne should strive to meet the South East Plan housing target in order to meet the anticipated level of economic growth. It reports (in para. 1.25) that lower economic activity levels in Eastbourne and South Wealden are partly a consequence of weaknesses in the local economy and that skills shortages may deter new job formation in the future. The SHMA recommendations were published at time where there were expectations for a step change in economic growth and employment growth forecast were generally optimistic. It concluded that there may be a shortage of local labour if growth if housing growth was maintained at past levels. It was therefore essential to maximise the provision of housing within Eastbourne, within its own environmental constraints, and support high levels of growth in South Wealden to ensure that economic growth can be sustained.
- 3.7 The Council has reviewed several employment sites for their potential to deliver future housing development in the Borough. A list of proposed employment sites for residential development is provided in Submission Document CS45(B). This conforms with the requirements of NPPF (para. 22) to release employment sites for residential development if there is no reasonable prospect of the site being used for employment. This does not compromise the ability of the Council to meet its local employment land requirements which will be achieved through development at Sovereign Harbour and intensification of business uses on industrial estates.

More Recent Population Projections for South Wealden

- 3.9 Evidence prepared by Wealden District Council [Submission Document CS51] for its Examination In Public (EIP) held in January 2012 justified why the housing figures for Wealden should be reduced from the South East Plan target. In South Wealden, significant infrastructure constraints listed in the Infrastructure Delivery Plan have been found to limit development potential to approximately 5,200 residential units, with the residual 4,400 units being provided in North Wealden to meet their overall reduced housing target of

9,600 dwellings by 2027. Wealden District Council have therefore rebalanced their housing provision, increasing the proportion of development to be delivered in the larger settlements in North Wealden.

- 3.10 It is not considered that the Wealden's Core Strategy housing requirements will have an adverse impact on meeting Wealden District's overall needs. It is acknowledged that the South East Plan did not allocate housing to meet the needs of the north of the district, where this area has a buoyant housing market with high land values and significant out-commuting. The housing stock is generally larger in the north of the district than the south, with many properties situated in villages and hamlets dispersed across the countryside.

Infrastructure

- 3.11 The EBC Infrastructure Delivery Plan (IDP) demonstrates that the local housing target of 5,022 net dwellings, which aligns with the South East Plan target, can be delivered. The IDP identifies the priority infrastructure required to meet the overall level of housing provision and deliver the spatial development strategy. It identifies that there are no essential infrastructure constraints that would limit or compromise the ability to meet the local housing requirement in Eastbourne itself. There are however some issues which will require the Council to continue close dialogue with infrastructure providers and Wealden District Council such as the potential need for the future expansion of the Eastbourne and Hailsham Wastewater Treatment Works (WWTW) to accommodate future growth in South Wealden.
- 3.12 The Eastbourne IDP explains that Southern Water has secured consent to increase the discharge capacity of Eastbourne WWTW and that a feasibility study to investigate the options for providing additional treatment capacity to accommodate new development in Eastbourne and the South of Wealden District is being carried out. Southern Water have confirmed that the final engineering solution will be able to accommodate the growth proposed in Eastbourne's Core Strategy and that there is Environment Agency consent to increase the capacity of the WWTW. This ensures that treated wastewater

discharged into the sea continues to be of high quality, as to not cause water pollution.

Updated Assessments of Housing and Affordable Housing Need (2012)

3.13 In February 2012 Eastbourne Borough Council commissioned Arc4 consultants to undertake a refresh of the Strategic Housing Market Area. Although this work is ongoing, a draft assessment has been provided using the latest available evidence of housing need and household projections to provide an up-to-date account of population growth and housing need. Section 5 of the draft assessment is provided in **Appendix A** – Review of Overall Dwelling Requirements and Market Demand.

3.14 In summary, the 2012 Arc4 analysis suggested that:

- Based on CLG 2008-based household projections, there would be an overall increase of 14,000 households over the period 2011 to 2033. Most of this growth will be from households where the Household Reference Person (HRP) is aged 65+;
- Based on CLG 2008-based household projections, there would be an increase of 691 households each year across Eastbourne Borough to 2033, with an increase in demand for 591 open market and 100 affordable/intermediate tenure dwellings each year. Over the period 2012-2026 (15 years) this would equate to an increase of 10,365 households;
- Given that the 2010 population projections are showing a lower population growth, the forthcoming 2010-based household projections are likely to result in a slower rate of household formation of somewhere in the order of 400 each year (or 6,000 additional households over the 15 year period 2012-26) – although the actual proportion requiring open market and affordable is unlikely to change substantially. This results in a total household increase of 8,000 over the 20 year period from 2006 - 2026.

3.15 The overall target for new dwelling provision over the period 2006 to 2027 (21 years) in the Eastbourne Plan is 5,022. This is based on a 240 per annum South East Plan target plus 222 dwellings for 2027. However, the total

capacity evidence in the housing trajectory is 3,837, with the remaining requirement of 1,185 met through windfall sites coming forward.

- 3.16 In terms of projecting household growth, there are many variables and policy influences which can affect future household trajectories, for instance migration, economic change, natural change (births/deaths) and the dynamics of local housing markets. Analysis of household projections suggests an annual growth of 680 households (based on 2008 projections) but 2010 population projections point to a reducing population and if translated to household requirements, this may translate to a lower annual increase (of around 400 households) each year over the period 2010 to 2035. The trend household projections are reducing in Eastbourne as they factor in a reduced level of annual housing delivery compared to the years 2000-2005. Housing delivery was high in Eastbourne during this period due to the redevelopment of land at Sovereign Harbour. Interestingly, over the past decade (2001-2011), the total number of occupied dwellings has increased at an average rate of 410 each year which is below previous household growth estimates but more reflective of likely household growth based on 2010 population projections.
- 3.17 On balance, the actual level of household growth across Eastbourne is likely to be higher than the South East Plan target for new provision and in the order of around 400 based on past trends and likely household projections based on 2010 population data. However, regardless of household growth, future development potential will be restricted by the level of development constraints. This approach is supported by East Sussex County Council who have endorsed the overall level of housing delivery proposed in the Core Strategy. Further work on household projections based on the soon to be published up-to-date Census information, in consultation with East Sussex County Council, will help inform any subsequent review to the Core Strategy.

Summary of Combined Housing Requirements in Eastbourne and South Wealden Housing Market Area (HMA)

3.18 Table 4 provides a summary of the overall level of housing required in Eastbourne and South Wealden individually compared with both the South East Plan target and the level of housing need identified through recent reviews of household projections.

Table 4 – Combined Housing Requirements for Wealden and Eastbourne (to 2027)

| | SE Plan target (net dwellings) | *Housing needs to 2026 (net households) | #Core Strategy target to 2027 (net dwellings) |
|---|---|--|--|
| Wealden District Total | 11,000 | 8,837 – 10,452 | 9,600 |
| Sussex Coast Sub-Region (South Wealden) | 7,000 | 3,623 – 4,285 | 5,197 |
| Rest of Wealden (North Wealden) | 4,000 | 5,214 to 6,167 | 4,377 |
| Eastbourne Borough | 4,800 | 8,000 | 5,022 |
| Eastbourne and South Wealden Total | 11,800 | 11,623 – 12,285 | 10,219 |

* Based on revised Household Population Projections to 2026

Wealden District Council's planning period has been changed to 2027, whilst the overall housing requirement has remained the same.

3.19 Table 4 demonstrates that the requirements of the Eastbourne and South Wealden Housing Market Area, based on household projections, are almost in balance to deliver a net provision of 10,219 dwellings in the Housing Market Area by 2027. Household projections have decreased over the last 6 years in Eastbourne, a consequence of reduced housing delivery and future development constraints which reflect that historical levels of housing delivery from 2000-2006 could not be sustained. For Eastbourne, given its development constraints, it is impossible to meet all of its own needs within its own administrative boundaries. This is ameliorated to an extent by an increase in housing provision within South Wealden compared to its household projections for the area. The approach to housing requirements in Eastbourne and South Wealden is therefore consistent with overall housing requirements for the NPPF.

4.0 Development Constraints and Land Availability

4.1 There are several development constraints in Eastbourne which restrict the ability of the Council to identify specific sites and land to meet its total housing need in line with 2010 household projections in its Housing Trajectory. Nevertheless this is not unexpected as development targets have always needed to take into consideration development constraints. The new NPPF makes it clear that whilst opportunities to find housing land should be maximised the Council's spatial development strategy must be consistent with other policies in the NPPF and the Plan.

4.2 The Council has provided evidence in a series of Submission Documents that development constraints affect the ability to identify a sufficient amount of developable and deliverable sites for residential development in the Borough. A Strategic Housing Land Availability Assessment (SHLAA) [Submission Document CS28] highlights the comprehensive assessment of land availability in the Borough that was undertaken to assess the potential for future housing development. This was prepared in accordance with Best Practice guidance at the time, which signposted the consideration of constraints that impact the developability and deliverability of sites for residential development. The SHLAA appreciates the various constraints which have prevented sites from being assessed as deliverable and developable, with a number of these constraints being so severe that they cannot be reasonably mitigated. Environmental constraints include flood risk, Sites of Nature Conservation Interest (SNCI) and the South Downs National Park (SDNP) designation. Key Submission Documents of importance are:

- Eastbourne Biodiversity Assessment (2007) [Submission Document CS12];
- External Review of Sites with Residential and Employment Potential (2010) [Submission Document CS18];
- Eastbourne Park Development Feasibility Study (2006) [Submission Document CS18(A)];
- Landscape Character Assessment and Capacity Guidance [Submission Documents CS20 and CS20(A)];

- Strategic Flood Risk Assessment Level 1 and 2 [Submission Documents CS26 and CS27].

Environmental Constraints

4.3 The NPPF states in paragraph 14, and more specifically in paragraph 47, that local planning authorities should positively seek opportunities to meet the development needs of their area, and that plans should meet objectively assessed housing needs in full with sufficient flexibility to adapt to rapid changes unless:

- Any adverse impacts in doing so would significantly and demonstrably outweigh the benefits, when assessed against policies in the NPPF;
- Specific policies in the NPPF indicate development should be restricted.

4.4 The NPPF contains other important policies that are relevant considerations in plan making, strengthening the Council's position on its environmental constraints that limit its overall development capacity. These are justified as follows.

4.5 Flood risk is a severe constraint to development in Eastbourne. The approach taken by the Council to both the sequential and exception test, along with its recommendations have been supported and endorsed by the Environment Agency and is consistent with paragraphs 99 and 100 of the NPPF. Due to the extent of the tidal and fluvial Flood Zone 3a, only development within the urban area (both brownfield and greenfield sites) have been assessed as suitable in the exception test because of their sustainability benefits in providing regeneration opportunities within their wider neighbourhoods. Other greenfield sites outside the development boundary (identified in the in Policy B1 and the Key Diagram of the Core Strategy) are primarily constrained by fluvial flood risk and have not met the full requirements of the exception test, and therefore are not deliverable.

4.6 Other landscape and biodiversity constraints are listed as key considerations in plan making in paragraphs 109 and 117 of the new NPPF:

- The planning system should contribute to and enhance the natural and local environment by protecting and enhancing valued landscapes [and] geological conservation,...minimising impacts on biodiversity and providing net gains in biodiversity (para. 109);
- Planning policies should promote the preservation, restoration and re-creation of priority habitats, ecological networks and the protection and recovery of priority species (para. 117);

4.7 The central green area of open space known as Eastbourne Park is a sensitive location for future development. The Council through Policy D11 'Eastbourne Park' of the Core Strategy and the supporting Eastbourne Park Supplementary Planning Document (SPD) seeks to protect and enhance the designated area for its environmental quality and ecological, biodiversity potential. The Park functions as a natural flood storage area for which water drains into a series of flood storage balancing lakes. Its important wetland nature is highlighted in its designation as a Biodiversity Opportunity Area where great opportunities arise for habitat management, restoration and creation.

4.8 Other areas of green land outside the built up area boundary, include land on the north-eastern of the Borough known as Mountney/Langney Levels. The area consists of a sensitive network of water drainage channels (primarily the East Langney Sewer) within a field system. There is great biodiversity interest in the local ditch system which is rich in scarce waterside plants and aquatic insects. Parts of the Mountney/East Langney Levels have thus been designated as a Site of Nature Conservation Interest (SNCI, E1: Langney Levels). The management proposals of this specific SNCI identify that the water quality of the ditches is good and that in a location so close to the built up area of Eastbourne it is important to ensure that no pollution or deterioration of the watercourses take place.

4.9 The Borough's western edge forms the boundary with the South Downs National Park (SDNP) which has recently been successfully designated for its important environmental and landscape quality, and is therefore very

sensitive to new development. The Eastbourne Core Strategy policies do not apply to the SDNP area, and this does not affect the ability to meet the requirements of its spatial development strategy.

- 4.10 The National Planning Policy Framework (NPPF) is clear in paragraphs 99, 100, 109 and 117 that plans should protect and enhance valued landscapes, ecosystems and priority habitats. The importance to maintain the environmental quality of landscapes, biodiversity habitats and protect against flooding is strong justification to that future housing development in Eastbourne should be focused on urban intensification within the existing built up area boundary, with one greenfield urban extension on the Kings Drive/Cross Levels Way site which is outside of the flood risk area.

Financial Viability

- 4.10 The Council used consultants Baker Associates to assess the financial viability of developments identified for development in the SHLAA [Submission Document CS18]. In some instances, existing use values and abnormal development costs, for instance land contamination and remediation, resulted in sites being assessed as unviable therefore undeliverable during the plan period.
- 4.11 With regards to previous housing allocations in the Eastbourne Borough Plan (2003), a stronger emphasis has been placed on the deliverability of residential sites since the sites were first allocated. This is highlighted as a key consideration in the SHLAA practice guidance that the financial viability of sites for residential development should be assessed. Other viability work on Eastbourne Park sites by DTZ (2006) [Submission Document CS18(A) 'Eastbourne Park Sites Development Feasibility Study'] also informed the SHLAA. On some of the Greenfield allocations particularly those in Eastbourne Park, the requirements for flood mitigation would involve land-raising and amelioration of the impact on the flood drainage area of Eastbourne Park. These additional factors make many of the sites financially unviable and thus undeliverable. These factors are reflected in their SHLAA assessment.

Windfall Conversion Evidence

- 4.12 The Council has highlighted in evidence prepared for the Core Strategy that it will be relying on windfall development within the plan period to meet its overall housing target of 5,022 net dwellings by 2027. The majority of this windfall reliance will be conversion developments including the subdivision of larger properties, conversion of Houses in Multiple Occupation and the reorganisation of dwelling units within existing properties.
- 4.13 Paragraph 48 of the National Planning Policy Framework (NPPF) states that in order to make an allowance for windfall sites in the plan period, there should be “compelling evidence that such sites have consistently become available in the local area and will continue to provide a source of supply”. The Council has therefore prepared this additional research to demonstrate that there is sufficient potential for the windfall supply to continue throughout the plan period
- 4.14 The analysis section of the Windfall Conversion Evidence Report [Submission Document CS31(B)] section demonstrates the maximum potential that could be achieved on conversion sites within each of the three neighbourhoods with the highest reliance on windfall development. The following summary table illustrates the maximum potential identified on conversion sites and the overall percentage of the windfall requirement on conversion sites in each neighbourhood.

Table 5 Conversion Windfall Potential (2012)

| Neighbourhood | Maximum Potential Net Gain | Annual Windfall Requirement on conversion sites* | Total Windfall Requirement on conversion sites* | % of Maximum Potential Net Gain required |
|---------------|----------------------------|--|---|--|
| Town Centre | 1979.9 | 38.3 | 478.75 | 24.2% |
| Seaside | 2328.7 | 16 | 200 | 8.6% |
| Meads | 1878.9 | 15.7 | 196.25 | 10.4% |

*As identified in the Submission Core Strategy (January 2012)

- 4.15 Table 5 above demonstrates that there is an adequate supply of potential conversion sites/buildings within the Town Centre, Seaside and Meads neighbourhoods. It is a reasonable assumption that at least the stated percentage of the available of supply will come forward by the end of the plan

period (2027) in each neighbourhood, and this is fully justified in the Windfall Conversion Evidence Report [Submission Document CS31(B)].

- 4.16 In summary the evidence prepared on windfall conversions justifies the Council's position that there is 'compelling evidence that such sites have consistently become available in the local area and will continue to provide a source of supply' throughout the plan period. This provides support for the Council retaining its level of housing provision identified in the Core Strategy and proactively plan for the overall level of delivery in the Infrastructure Delivery Plan (IDP).

5.0 Conclusion

- 5.1 This justification statement provides robust evidence for setting the local housing target at 5,022 net dwellings for the 2006-2027 planning period. Although recent household projections identify a housing requirement based on 400 new households per annum, development constraints which are sound planning considerations in the NPPF, prevent the overall need being met within Eastbourne's boundaries.
- 5.2 The Council's housing need must however also be considered in relation to the wider Eastbourne and South Wealden Housing Market Area. This justification statement concludes that the level of housing development proposed in both Eastbourne and South Wealden more closely meets the needs in the HMA. It is accepted that they can't completely be met due to significant infrastructure constraints in South Wealden.
- 5.3 The Council has provided justification that there is compelling evidence to allow for a residual windfall reliance of 1,185 net units as part of its spatial development strategy. Policy B1 of the Core Strategy states that the spatial development strategy will deliver at least 5,022 new dwellings. The Council has oversupplied with regards to overall housing delivery in previous years which has enabled the tracked annual residual housing requirement to be reduced. The Core Strategy also contains a contingency policy, should the Council not be able to consistently meet that target.

5.4 In light of infrastructure constraints in South Wealden, and confirmation that there is infrastructure capacity to the level of growth proposed in Eastbourne itself, Eastbourne is committed to meet the local housing target of at least 5,022 net units. Maximising the provision of housing, within environmental and infrastructure constraints in Eastbourne is therefore required to allow for greater housing choice across the wider Housing Market Area. The Council is continuing close working relationships with Wealden District Council through development of its Core Strategy and Strategic Sites Development Plan Document to ensure meeting housing demand and providing housing choice across the wider Eastbourne and South Wealden Housing Market Area.

Appendices

Appendix A – Extract from Draft Strategic Housing Market Assessment (2012):
Chapter 5. Review of Overall Dwelling Requirements and Market Demand

APPENDIX A – Extract from the Draft Eastbourne Strategic Housing Market Assessment (2012)

Chapter 5. Review of overall dwelling requirements and market demand

- 5.1 Core outputs presented in Chapter 4 provided a range of information on the requirements for both market and affordable housing. The purpose of this chapter is firstly to review overall dwelling requirements based on a range of methodologies. Secondly the chapter consolidates the key messages relating to housing market demand and demonstrates how the SHMA evidence base satisfies NPPF requirements and provides evidence to help the Council in deciding the scale of new build it should be planning for.

Overall dwelling requirements

Introduction

- 5.2 Household projections are an important starting point in helping to determine an appropriate housing target to be delivered within a local authority area. Housing projections are compiled by applying projecting household membership rates to a projection of the private household population disaggregated by age, sex and marital status and summing the resulting projections of household representatives. Assumptions around economic growth, migration and natural change (birth/death) are also factored into models. However, trends can change quickly which can have a substantial impact on overall household projections. It is also important to note that household projections should not automatically translate into housing targets. For instance, projections will take account of household dissolution (through out-migration and death) and will not sufficiently factor in changing household structures (for instance friends sharing a home and multi-generational households).
- 5.3 Notwithstanding this, the purpose of this paper is to draw together a range of evidence using existing household projection information to help determine the likely range of household growth scenarios for Eastbourne and provide a broad indication of what this means for future dwelling requirements.

Regional Spatial Strategy

- 5.4 The South Plan – The Regional Spatial Strategy for the South East had set the housing targets for each district in the region. Although now abolished, the former RSS provided a useful insight into household growth assumptions which drew on CLG household projections. The Independent Panel of Inspectors appointed to consider the evidence for the RSS concluded that the

household projections used by the Regional Assembly should help to determine the Region's housing targets (i.e. CLG household projections). The Panel also recognised the inherent uncertainty in household projections and supported the assembly's methodical approach of also considering delivery issues within each district and also the policy priorities for the region, as well as other key elements in determining the housing targets for each district.

- 5.5 For Eastbourne, Table H1b of the South East Plan (the former Regional Spatial Strategy) indicated an annual net dwelling requirement of 240 over the period 2006-2026.

Household and population projections

- 5.6 Government household projections should be considered by local authorities when determining an appropriate level of housing to be delivered. Table 5.1 compares the household projection estimates from the last three CLG projections (2004-based, 2006-based and 2008-based) for Eastbourne.
- 5.7 CLG household projections are derived from Office for National Statistics (ONS) population projections and are produced by applying projected household formation rates to the population projections. The assumptions underlying the national household and population projections are demographic trend-based on past trends. Therefore they do not seek to predict the impact of future government policies, changing economic circumstances or other factors that could affect demographic behaviour.

Table 5.1 CLG Household projections for Eastbourne

| Year | CLG Household Projections | | |
|------------------------|---------------------------|------------|------------|
| | 2004-based | 2006-based | 2008-based |
| 2004 | 42000 | | |
| 2006 | 44000 | 44000 | |
| 2008 | | | 44000 |
| 2011 | 47000 | 48000 | |
| 2013 | | | 47000 |
| 2016 | 51000 | 52000 | |
| 2018 | | | 51000 |
| 2021 | 54000 | 56000 | |
| 2023 | | | 54000 |
| 2026 | 58000 | 59000 | 56000 |
| 2028 | | | 58000 |
| 2029 | 60000 | | |
| 2031 | | 63000 | |
| 2033 | | | 61000 |
| Summary | 2008-31 | 2006-31 | 2008-31 |
| Overall Change | 18000 | 19000 | 17000 |
| Annual change (25 yrs) | 720 | 760 | 680 |

Source: CLG household projections

- 5.8 The three household projections indicate an annual household growth of between 680 and 760 and average 720 over a 25 year time frame. Population projections using a 2010 base have been released by ONS although these have not yet been translated into household projections by the CLG. However, these do suggest a marked reduction population growth, with an expected population of 111,000 by 2035 which compares with estimates of around 124,000 in the early 2030s as suggested in 2006-based and 2008-based population projections. This is likely to have a substantial impact on household projections.
- 5.9 Figure 5.1 compares population projection data for Eastbourne using the 2004, 2006, 2008 and 2010 ONS population projections. Table 5.2 summarises the change in household numbers by age group based on these projections. Table 2 also suggests that, based on the relationship between population and household growth using 2004, 2006 and 2008 baseline population projections, the 2010-based household projections could be dramatically lower. Applying the ratio of population growth to household growth which can be derived from previous population projections, the 2010 population projections point to a dramatic reduction in household growth to the order of around 400 each year.

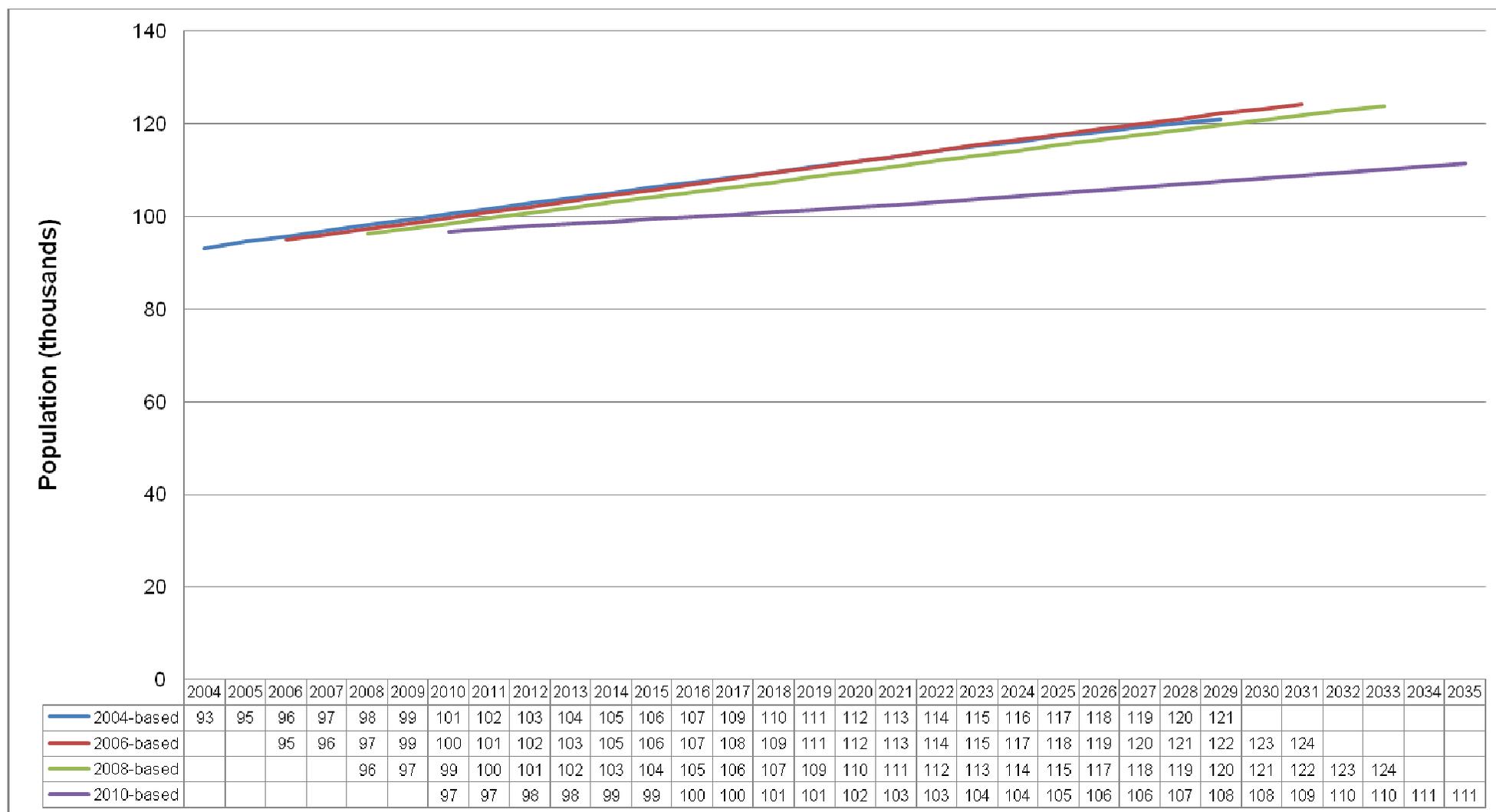
Table 5.2 Comparison in household growth by age group using 2004-based, 2006-based, 2008-based and 2010-based population projections

| Age Group | Population projections (thousands) | | | |
|---|------------------------------------|----------------|----------------|----------------|
| | 2004-based | 2006-based | 2008-based | 2010-based |
| | Change 2004-29 | Change 2006-31 | Change 2008-33 | Change 2010-35 |
| 0-19 | 2 | 4 | 4 | 1 |
| 20-39 | 3 | 4 | 4 | 1 |
| 40-59 | 5 | 4 | 3 | -1 |
| 60-79 | 13 | 12 | 11 | 8 |
| 80+ | 6 | 6 | 7 | 6 |
| Total | 28 | 29 | 28 | 15 |
| Annual Population Change | 1.1 | 1.2 | 1.1 | 0.6 |
| Average annual household increase | 0.7 | 0.8 | 0.7 | 0.4* |
| Ratio of annual population change to household increase | 1.6 | 1.5 | 1.6 | 1.6* |

Source: ONS population projections

* The average annual household increase using 2010-based population projections is based on the average ratio of annual population change to household increase based on the previous 3 household/population projection datasets

Table 5.1 Comparison of ONS population projections for Eastbourne



Source: ONS

- 5.10 Given variations in household projections, and in particular the release of 2010 household projections which are likely to show a dramatic reduction in household growth, it is important to apply the 'plan, monitor and manage' approach to housing targets, whereby the targets are planned to take account of household projections and other key planning issues. The targets should then be managed and monitored to ensure that housing is delivered in line with the overall strategy and to determine whether there needs to be any significant shift in the adopted approach (e.g. whether there needs to be an early review of the plan).

Components of household change

- 5.11 CLG data predicts a growth of households within Eastbourne over the period to 2033. Further data provided by the CLG considers the extent of household growth by the age of Household Reference Person (HRP), formerly described as 'head of household'. Please note that this dataset reports a slightly different number of households for 2008 (46,000) and 2033 (60,000) due to rounding.
- 5.12 Table 5.3 illustrates the proportion of households by the age of HRP and shows that most of the household growth is actually amongst older person households. Of anticipated household growth, around 71% will be attributed to a growth in households where the household reference person is aged 65 or over and 29% from households where the household reference person is aged up to 65.

Table 5.3 Household growth in Eastbourne 2008-2033 by Household Reference Person age band

| Age of Household Reference Person | No. households (thousands) | | Change 2008-2033 |
|-----------------------------------|----------------------------|-----------|------------------|
| | 2008 | 2033 | |
| Under 25 | 2 | 2 | 0 |
| 25-34 | 6 | 7 | 1 |
| 35-44 | 8 | 9 | 1 |
| 45-54 | 11 | 12 | 1 |
| 55-64 | 4 | 5 | 1 |
| 65-74 | 6 | 11 | 5 |
| 75-84 | 6 | 8 | 2 |
| 85+ | 3 | 6 | 3 |
| Total | 46 | 60 | 14 |

Source: 2008-based CLG Household Projections based on ONS 2008-based population projections

- 5.13 Understanding the nature of household growth is fundamental to developing appropriate strategic responses – it's not simply about building more dwellings to cater for an increasing number of households, but ensuring that what is built increasingly reflects the changing population dynamics of the District.

5.14 In summary, a detailed analysis of household projections suggests that although total numbers of households are expected to increase (albeit as a potentially lower rate based on 2010-population projections compared with previous estimates), the impact of demographic change means the proportion of households with a HRP aged 65 and over will increase dramatically. Although there will continue to be a degree of new household formation, the greatest growth will be amongst older person households. This has considerable implications for the types of dwellings to be built to reflect future demand. Adopting lifetime homes standards should be viewed as a priority along with diversifying the range of newbuild dwellings appropriate for a growing number of older person households and maintaining the delivery of homes to reflect the aspirations of economically active and younger households.

Dwelling stock

5.15 As at 1st April 2011, there were 47,516 dwellings in Eastbourne and 1,662 were vacant, resulting in 45,854 occupied dwellings. Table 5 compares dwelling stock figures over the period 2001 and 2011 and the overall change in occupied dwellings and total dwellings over the period. Overall, the total number of occupied dwellings has increased by 4,016 or an average of 410 each year and the total number of dwellings has increased by 4,098 or around 400 each year.

Table 5 Dwelling stock in Eastbourne

| Year | Dwelling stock | | | Annual Occupied change | Annual Dwelling change |
|---------------------|----------------|------------|--------------|------------------------|------------------------|
| | Total | Vacant | Occupied | | |
| 2001 | 43,500 | 1,744 | 41,756 | | |
| 2002 | 43,246 | 2,073 | 41,173 | -583 | -254 |
| 2003 | 43,740 | 2,048 | 41,692 | 519 | 494 |
| 2004 | 44,637 | 2,643 | 41,994 | 302 | 897 |
| 2005 | 44,637 | 2,560 | 42,077 | 83 | 0 |
| 2006 | 45,960 | 1,541 | 44,419 | 2,342 | 1,323 |
| 2007 | 46,429 | 1,118 | 45,311 | 892 | 469 |
| 2008 | 46,705 | 1,133 | 45,572 | 261 | 276 |
| 2009 | 47,101 | 1,511 | 45,590 | 18 | 396 |
| 2010 | 47,421 | 1,543 | 45,878 | 288 | 320 |
| 2011 | 47,516 | 1,662 | 45,854 | -24 | 95 |
| Change 01-11 | 4,016 | -82 | 4,098 | 410 | 402 |

Source: HIP and HSSA returns

5.16 It is notable that the actual extent to which the dwelling stock is increasing has varied over the period 2001 to 2011 and most notably over the period 2005-6 when the number of vacant properties reduced dramatically.

Vacancy rates

- 5.17 The Government is keen to ensure that best use is made of available stock. Across Eastbourne 3.5% of dwelling stock (1,662) is vacant according to 2011 HSSA figures. The number of vacant properties has fallen from a peak of 2,643 in 2004. The level of vacancy is now around indicative threshold for 'transactional vacants' that is the number of dwellings which ought to be vacant to facilitate movement within the housing market (the rate is 2% for social rented and 4% for private sector stock).
- 5.18 That said, within Eastbourne there are likely to be pockets where vacancy rates are above these threshold figures. This presents an opportunity to bring vacant properties back into use to help provide sufficient housing for an increasing population. The Council has an empty property strategy which seeks to reduce the number of vacant properties. Bringing back empty properties into use will increase the revenue received through the New Homes Bonus. Bringing back 25% of vacant properties would provide accommodation for 415 households.

Policy direction for the Local Plan

- 5.19 There are a range of different methodologies which can be used to project the rate of household growth. However, none are likely to accurately project the long-term housing growth as there are many variables and policy influence which can affect future household trajectories.
- 5.20 The latest (2008-based) CLG household projections suggest an increase of 680 households each year across Eastbourne to 2033. This compares with an average increase of 410 occupied dwelling each year over the period 2001 to 2011. The 2010-based ONS population projections suggest a marked reduction in future population growth which, based on the relationship between previous household and population projections, may see the projected annual household growth rate fall to around 400 each year (which is consistent with trends in occupied dwelling stock).
- 5.21 The former South East Plan (Regional Spatial Strategy) indicated an annual average net additional requirement of 240 dwellings each year over the period 2006-26.
- 5.22 It is important to reiterate that household projections do not automatically translate into housing targets. Determining an appropriate housing target is much more complex than simply reflecting household projections. Other factors, such as deliverability constraints, strategic policies and the nature of household growth also need to be taken into account. On balance, targets need to be set with the strategic vision of the Council, bear in mind the changing demography of Eastbourne and based on a realistic assessment of what is deliverable and over what timeframe.

Overall dwelling requirements

- 5.23 Having reviewed the potential scale of household growth across Eastbourne, it is possible to review the potential impact this may have on demand for particular tenures. Using 2011 household information from the AXCIOM dataset, it is possible to review the current tenure profile based on the age of household reference person (HRP). Assuming that this tenure profile remains constant, this can then be applied to predicted HRP profiles in 2033 as indicated in 2008-based CLG household projections.
- 5.24 Table 5.6 summarises the baseline tenure profile by age of Household Reference Person.

Table 5.6 Tenure profile by HRP

| HRP Age band | Tenure | | | |
|--------------|----------------------|----------------------|---------------------|-------------|
| | Owner Occupied (%) | Private Rented (%) | Social Rented (%) | Total (%) |
| 18-34 | 12.4 | 35.8 | 12.8 | 20.1 |
| 35-64 | 47.2 | 45.1 | 48.6 | 47.3 |
| 65+ | 40.4 | 19.1 | 38.6 | 32.6 |
| Total | 100 | 100 | 100 | 100 |
| Tenure | 68.9 | 17.4 | 13.7 | 100 |
| Imputed base | 31694 | 8004 | 6302 | 46000 |
| HRP Age band | Tenure | | | |
| | Owner Occupied (No.) | Private Rented (No.) | Social Rented (No.) | Total (No.) |
| 18-34 | 3930 | 2865 | 807 | 9246 |
| 35-64 | 14960 | 3610 | 3063 | 21758 |
| 65+ | 12804 | 1529 | 2433 | 14996 |
| Total | 31694 | 8004 | 6302 | 46000 |

Source: 2011 ACXIOM data; assumes a baseline of 46,000 households

- 5.25 CLG household projections suggest that the total number of HRPs is expected to change by the following amounts:
- 18-34 by -2.7%
 - 35-64 by +19.5%
 - 65+ by +66.7%
 - Overall by +30.4%
- 5.26 Applying these proportionate changes to the baseline figures in Table 5.6 results in the tenure profile by HRP in 2033 presented in Table 5.7.

Table 5.7 Predicted tenure profile in 2033 by HRP

| HRP Age band | Tenure | | | |
|--------------|----------------------|----------------------|---------------------|--------------|
| | Owner Occupied (%) | Private Rented (%) | Social Rented (%) | Total (%) |
| 18-34 | 8.9 | 28.9 | 9.2 | 15.0 |
| 35-64 | 41.5 | 44.7 | 43.1 | 43.3 |
| 65+ | 49.6 | 26.4 | 47.7 | 41.7 |
| Total | 100 | 100 | 100 | 100 |
| HRP Age band | Tenure | | | |
| | Owner Occupied (No.) | Private Rented (No.) | Social Rented (No.) | Total (No.) |
| 18-34 | 3825 | 2789 | 785 | 9000 |
| 35-64 | 17876 | 4314 | 3660 | 26000 |
| 65+ | 21346 | 2549 | 4055 | 25000 |
| Total | 43048 | 9651 | 8500 | 60000 |

5.27 The overall impact of tenure, assuming the same profile in 2011 is applied to the HRP predictions for 2033 is summarised in Table 5.8.

Table 5.8 Change in tenure requirements by age of HRP 2011-2033

| HRP Age band | Tenure | | | |
|-----------------|----------------------|----------------------|---------------------|--------------|
| | Owner Occupied (No.) | Private Rented (No.) | Social Rented (No.) | Total (No.) |
| 18-34 | -105 | -76 | -21 | -246 |
| 35-64 | 2917 | 704 | 597 | 4242 |
| 65+ | 8542 | 1020 | 1623 | 10004 |
| Total | 11354 | 1647 | 2198 | 14000 |
| Annual change | 516 | 75 | 100 | 691 |
| % change | 74.7 | 10.9 | 14.5 | 100.0 |

5.28 In summary, these analysis suggested that:

- Based on CLG 2008-based household projections, there would be an overall increase of 14,000 households over the period 2011 to 2033. Most of this growth will be from households where the HRP is aged 65+;
- Based on 2008-projections There would be an increase of 691 households each year across Eastbourne Borough to 2033, with an increase in demand for 591 open market and 100 affordable/intermediate tenure dwellings each year. Over the period 2012-2026 (15 years) this would equate to an increase of 10,365 households;

- Given that the 2010 population projections are showing a lower population growth, the forthcoming 2010-based household projections are likely to result in a lower rate of household formation of somewhere in the order of 400 each year (or 6,000 additional households over the 15 year period 2012-26) – although the actual proportion requiring open market and affordable is unlikely to change substantially.

Conclusion

- 5.29 The overall target for new dwelling provision over the period 2006 to 2027 (21 years) is 5,022. This is based on a 240 per annum RSS target plus 222 dwellings for 2027. However, the total capacity evidence in the SHLAA is 3,837, with the remaining requirement of 1,185 met through windfall sites coming forward.
- 5.30 In terms of projecting household growth, there are many variables and policy influences which can affect future household trajectories, for instance migration, economic change, natural change (births/deaths) and the dynamics of local housing markets. Analysis of household projections suggests an annual growth of 680 households (based on 2008 projections) but 2010 population projections point to a reducing population and if translated to household requirements, this may translate to a lower annual increase (of around 400 households) each year over the period 2010 to 2035. Interestingly, over the past decade (2001-2011), the total number of occupied dwellings has increased at an average rate of 410 each year which is below previous household growth estimates but more reflective of likely household growth based on 2010 population projections.
- 5.31 On balance, the actual level of household growth across Eastbourne is likely to be higher than the RSS target for new provision and in the order of around 400 based on past trends and likely household projections based on 2010 population data. However, regardless of household growth, future development will be restricted principally on the basis of development constraints.