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Anchored in reason on local housing need?

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The Draft Local Plan lacks a proper negotiating position on future house building numbers in the Borough of Epsom and Ewell. So said an unnamed member of the public who addressed last week's Licensing, Planning and Policy Committee.

Let Epsom and Ewell Times know your view. Is he right or wrong? Here is his speech in full:

"Good evening, everyone. The first thing they teach you about negotiations at business school is the power of anchoring. Government has deployed this tactic very successfully. Government's standard method results in a target of 10,368 new dwellings over the Local Plan period. Let's be clear: this target is government's negotiation anchor. It is not our borough's actual housing need; it is simply designed to pressure you into setting a high housing target.

You might not realize that you are in a negotiation, but you are. Although the draft Local Plan recognizes that government's target is unachievable, it has still succeeded in anchoring council's thinking throughout the Local Plan. First, you note that your 3,700 from brownfield sites only meet 36% of government's anchor. Then you use that fact to declare exceptional circumstances. Afterward, you set your own housing target at just over half of government's anchor. That is the classic response of an inexperienced negotiator.

What the draft Local Plan did not discuss was our actual need for new dwellings. Strategic plans should always be based on the best available information, and yet the draft Local Plan did not even mention our actual need for new housing. It is very important for the council to prominently and clearly explain within the Local Plan why government's anchor of 10,368 is flawed and why our actual housing need is for just 2,664 new dwellings. By doing this, you will demolish government's anchor and replace it with the council's own anchor. It is absolutely critical to anchor everyone's thinking to the real needs of our borough.

The figure of 2,664 new dwellings is obtained by making just two changes to the standard method: firstly, replacing the outdated 2014 household projections with the more up-to-date 2018 data, and secondly, removing the flawed 40% affordability uplift. The theory behind this uplift is that by flooding the market with new homes, you will drive prices down. This theory is flawed for two reasons: firstly, house builders engage in land banking; they hold back most of their consented land and drip-feed new houses onto the market at a rate that matches demand and maintains prices. Secondly, the affordability uplift assumes that Epsom is a separate market for housing—it is not. If the Competition and Markets Authority were to look at this, the first thing they would do would be to define the relevant markets. They would note the existence of an unbroken chain of substitution across the whole Greater London Commuter Zone and conclude that Epsom just forms a very small part of a very large market. Flooding with new homes will not reduce house prices in the borough due to any supply-demand imbalance. Any reduction in local house prices will be as a result of the borough becoming a less serene and less attractive place to live.

According to paragraph 1.61 of the draft Local Plan, the balance between protecting our environment and enabling development is at the centre of our spatial strategy. At present, the Local Plan is unbalanced. You are planning to build more than twice the number of new dwellings that we actually need by sacrificing some of our best-performing Greenfield Green Belt sites."

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