



Colchester Preferred Options Local Plan - Regulation 18 Representation

Policy H1: Housing Mix

We object to Policy H1 as currently drafted. The policy is overly prescriptive, insufficiently flexible, and risks undermining housing delivery in Colchester.

1. Over-Reliance on Prescriptive Housing Mix Percentages

Policy H1 places significant weight on the housing mix set out in the Colchester Local Housing Needs Assessment (LHNA) Sept 2024. A rigid application of the LHNA risks forcing inappropriate housing types onto sites where there is limited or no market demand, directly undermining scheme viability and delivery. For example, 1-bed market houses are rarely supported by demand, particularly outside town centre flatted schemes. Even in central locations, market flats are increasingly unpopular due to service charges and amenity limitations, including lack of private outdoor space.

2. Insufficient Regard to Market Conditions

The LHNA itself acknowledges that market demand in Colchester has weakened:

- Sales volumes have fallen since their 2021 peak, at a faster rate than comparator Essex authorities;
 - Annualised price growth has slowed across all sub-areas;
 - Asking prices are no longer being achieved and marketing periods have lengthened; and
 - Demand for flats is particularly weak due to service charges and amenity factors.
- We believe that 2025 was no different as can be evidenced by the drop off of dwellings delivered in the city which was a 40% drop from the previous year i.e. only 659 new dwellings delivered.

Despite this evidence, Policy H1 does not adequately respond to current market realities. Failure to align housing mix policy with market demand risks sterilising sites and reducing overall housing delivery, contrary to the objectives of national policy.

3. Inappropriate Link Between Housing Mix and Viability

The policy states that viability will “only” be considered as a reason to vary the housing mix where supported by a viability assessment. This approach is flawed.

Housing mix should primarily be informed by:

- Site context and constraints;
- Location and character of the area; and

- Market demand at the time of delivery.

Developers and housebuilders are best placed to respond to real-time market signals. Requiring viability assessments to justify alternative housing mixes is disproportionate and risks delaying or discouraging development. Housing mix policy should not operate as a proxy viability control.

With required viability we note that CCC's consultants have incorporated 5 bed properties in their appraisals whereas this policy does not allow them. It is not possible to compare the mix used in all the viability appraisals but suffice to say none of the schemes appraised have followed this policy.

4. Risk of Undermining Delivery and Flexibility

The policy's emphasis on avoiding "over-concentration" of particular dwelling sizes is vague and subjective, and could be applied inconsistently. In some locations, a predominance of particular dwelling types is entirely appropriate and reflective of demand, character and deliverability.

The current adopted Local Plan housing mix policy provides **greater flexibility** and has not prevented the delivery of mixed communities. There is no clear justification for departing from that more balanced approach.

5. Table is not clear

It is not clear how is the 'older persons' part of the table will apply, especially as it is under the heading of Affordable Housing (rented)

6. Consistency with National Policy

National policy seeks to significantly boost the supply of homes and emphasises flexibility, responsiveness to market conditions, and effective delivery. Policy H1, as drafted, risks frustrating these objectives by prioritising numerical targets over deliverability.