

Home Builders Federation

Matter 22

NORTH HERTFORDSHIRE LOCAL PLAN EXAMINATION

Matter 22 – the supply of land for housing

The overall supply of land for housing

a) Is reducing the overall housing requirement to 13,000 and undertaking an early review of the Local Plan, the most appropriate way forward? If not, why not?

As set out in our statement to matter 21 we do not consider it appropriate to reduce the housing requirement as is being proposed by the Council. However, we would agree that an early review of this plan is necessary to ensure that it conforms to national policy and is not considered out of date. This commitment should be set out in policy with a fixed timescale for the delivery.

b) If the housing requirement should be modified to 13,000 dwellings, should the supply of housing sites proposed in the Local Plan also be reduced? If so, how?

No. The housing requirement is the minimum number of homes that must be delivered by the Council and it stands to reason that in order to ensure delivery of the minimum the Council must plan to deliver more homes than the minimum. A buffer in supply ensures that should any sites not come forward as predicted by the Council then there remains sufficient supply coming forward to ensure the minimum is met. As can be seen from the Council’s evidence in appendix A of ED191B the predicted supply of homes has generally fallen short of what was actually delivered by about 10% - even with one year delivering in excess of predicted supply.

Year	Predicted supply	Actual supply	Difference
2016/17	413	539	126
2017/18	339	282	-57
2018/19	367	220	-147
2019/20	401	318	-83
Total	1,520	1,359	-161

The evidence in appendix A provides an indication as to the degree of shortfall, albeit from a relatively short time period and a reflection of the of delivery from smaller windfall sites. As the scale of development increases then the risk of delay and



shortfalls against estimated delivery are greater as, for want of a better analogy, there are more eggs in fewer baskets. Delays and shortfall on such sites have far greater consequences and the risk of delays and slower delivery on more complex sites are higher.

For example, we note that the Council are expecting delivery rates of between 100 to 250 dwellings per annum (dpa) on the larger allocated sites. Whilst these are possible it is by no means certain. The recent update to the “Start to Finish”¹ report by Lichfields examining the delivery of strategic scale sites shows that it takes time to for such sites to start delivering and whilst delivery at high rates can be achieved it is by no means certain. On the issue of delivery, the report outlines on page 13 that on those sites assessed in the study the mean delivery rate from developments of between 500 and 999 dwellings was 68 dpa and for schemes of between 1,000 to 1,499 it was 107 dpa. We recognise that all developments are unique and some can deliver at higher rates but given the Council’s proposed strategy it is sensible and appropriate to plan for levels of development that are higher than their minimum requirement in order to minimise the risk of not meeting needs in full.

Therefore, in order to ensure that the Local Plan is, as required by paragraph 14 of the NPPF, sufficiently flexible to adapt to rapid change in circumstances then a substantial buffer is required.

c) Is a ‘buffer’ or around 13% an appropriate approach? If not, why not?

As set out in our response to the previous question we consider it necessary to have a buffer. Whilst a 13% buffer is welcomed we would suggest that given a substantial amount of development is expected to come forward on larger sites later in the plan period a 20% buffer would ensure that the minimum housing requirement is met and provide for the necessary flexibility as set out in paragraph 14 of the NPPF.

d) If there is a ‘buffer’ of around 13%, do the exceptional circumstances required for the ‘release’ of land from the Green Belt for housing development exist?

Yes. Firstly, it is important to consider the plan as a whole. This was an issue considered by the inspector examining the Guildford Local Plan who noted that local plans contain integrated proposals that work together and in concert to deliver a sound integrated approach to planning. The approach taken was subsequently considered a robust in the legal challenge brought by Compton Parish Council and others¹. The judgement in this case recognised at paragraph 101, 104 and 105 the importance of considering the plan as a whole and the fact that the benefits of planning in excess of OAN, such as improved affordability and the delivery of additional affordable housing, can contribute to exceptional circumstances.

Secondly, the plan must be capable of ensuring that needs are met in full if it is to be considered sufficiently robust. As set out above, by planning for a level of delivery

¹ Start to Finish (Second Edition) (Lichfields, 2020) <https://lichfields.uk/content/insights/start-to-finish>

beyond identified needs will ensure the necessary robustness and provide confidence that needs will be met. This issue was also considered in *Compton Parish v Guildford BC*. Paragraph 96 of the high court decision outlines that there is nothing illogical in requiring a buffer of some significance as this would provide assurance that the requirement would be met.

The five-year housing land supply

a) Are the Council's calculations correct/accurate?

We would agree with the Council's calculations in each scenario set out in appendix c of ED191B.

b) All of the approaches used by the Council assume that the buffer required by paragraph 47 of the NPPF should be 20% - that is to say, that there has been a record of persistent under delivery of housing in the District. Has there been, such that the 20% buffer is the most appropriate?

We would agree with the use of the 20% buffer for persistent under delivery. In addition, the Council will be required to apply the Housing Delivery Test (HDT) as set out in the 2019 NPPF from the adoption of this plan. At present the published HDT for North Hertfordshire requires the Council to use a 20% buffer.

c) Is the 'three-stepped approach' proposed by the Council the most appropriate method for setting the five-year housing land requirement? If not, why not?

The latest approach being put forward by the Council indicates that the concerns raised in our, and others', hearing statements with regard to the Council's five-year land supply were very real. In our statements we outlined our concern that the Council would not have a five-year housing land supply on adoption. We were not supportive of the proposed stepped trajectory and noted that even with the proposed steps that on the basis of a 20% buffer required to address past under delivery the Council could only show a 4.5-year land supply for housing.

The Council should have addressed this concern prior to submission, or in the intervening 18 months since the initial hearings closed at the end of 2018, through the allocation of additional sites that could have come forward earlier and bolstered the Council's land supply in the first five years. They chose not to do this and have created a situation where they must push back the requirement to deliver much needed housing in order to have a plan that is not immediately out of date on adoption. The current position being taken by the Council shows that the submitted plan was not sufficiently flexible and was fundamentally unsound.

As such the Council have left little room for alternative approaches to be effectively implemented without significant delays to the adoption of this plan and the delivery of those sites it allocates for development. We would therefore recommend that the use of a stepped trajectory should also require the Council to commit to an immediate review of the local plan.

d) Is one of the other approaches to setting the five-year housing land requirement explored in ED191B, or another approach entirely, more appropriate? If so, why, and: (i) what should the Council do to ensure that it can demonstrate a five-year supply of land for housing under this approach?

If a stepped trajectory as set out in scenario 3 is to be used, then the Council must apply the Sedgefield methodology. This provides for a 5-year land supply on adoption and would be consistent not only with the guidance supporting the 2012 NPPF but also current Planning Practice Guidance.

(ii) what would taking this approach mean for the progress of the Local Plan examination?

There would be no impact on the progress of the local plan as the Council's evidence indicates that this would enable a five-year land supply on adoption.

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