

North Herts District Council

Local Plan

Schedule of Further Matters, Issues and Questions

Matter 22 - the supply of land for housing

Statement by J Rigg (16632)

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

Yes, as detailed below in 22.2 d)

b) Is the selection of additional land for housing from previously identified sources the most appropriate way forward? If so, why?

No, NHDC's Plan is a failed plan, encompassing excessive development reliant on strategic Green Belt sites for some 50% of proposed development. Severely restricted development to date has resulted in the proposed three-stepped solution in an attempt to meet the Five Year Land Supply requirement. The latter as proposed remains fragile, with minimal capacity for unforeseen delays.

Selection of additional lands will only prolong the Plan process and compound difficulties in meeting the five year land supply criteria.

c) Is the identification and selection of additional land for housing the most appropriate way forward? If so, why?

No, see b) above.

d) Are there any other possible options that would be more appropriate? If so, what are they and why would they be more appropriate than the path suggested by the Council?

Please see 22.2 d), Scenario 2C, reducing the Housing Requirement to 11,100.

Matter 22.2

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

No.

The analysis presented for the various scenarios covers the period from 1/4/19 to 1/4/23, this is incorrect given the Public Hearing is within two weeks of the end of the 2019-2020 period.

Information provided should cover 1/4/20 to 1/4/24 to fully reflect the future 5 years. If so Year 2024 would reflect a further decline in the coverage ratio to 4.6 years, failing the test.

NHDC Scenario 6 Model Housing Requirement 14,000

	01-Apr-2019	01-Apr-2020	01-Apr-2021	01-Apr-2022	01-Apr-2023	01-Apr-2024
Five-Year Supply Liverpool						
Revised Target	0	500	500	500	500	500
Revised Housing Schedule ED 178 App A page 12		401	494	474	780	1,205
A Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645	5,850
B Cumulative target since 1 April 2011	2,800	3,300	3,800	4,300	4,800	5,300
C Shortfall against target as at 1 April	-304	-403	-409	-435	-155	0
D Target for next five years	2,500	3,250	4,000	4,750	5,500	6,250
E Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	127	183	205	242	97	-
F Buffer to be applied	20%	20%	20%	20%	20%	20%
G Total five year requirement (D + E) * F	3,152	4,120	5,045	5,990	6,716	7,500
H Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820	6,914
I Years land supply (H / G) * 5	5.3	5.4	5.3	5.2	5.1	4.6

Results under the Sedgefield method are as follows

2019	2020	2021	2022	2023	2024
5.0	5.0	5.1	5.0	5.0	4.6

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 underdelivery of housing in the District. Has there been, such that the 20% buffer is the most appropriate?

Yes.

NB for NHDC's amended Plan (Scenario 6 in a) above) to remain in compliance with the five year land supply criteria, it would be necessary to reduce the buffer to 0% as at 1/4/24.

Reducing the buffer in 2024 would be inappropriate given the historic underdelivery and minimal coverage of the ratio, which declines over the timeframe under review.

The 20% buffer should be kept in place until the next review of the Plan.

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?

Yes.

Given the low level of housing completions achieved to date a three stepped approach is required in order for the Council to meet the five year land supply requirement. The latter as proposed however remains fragile, with minimal capacity for unforeseen delays.

Detailed below are two possible scenarios which illustrate this point.

In the following scenarios, comparisons of maturities from the Revised Housing Schedule (ED 178 Appendix A) and those detailed in NHDC Matter 6 Table A, page 11 are made, adjusted for the change in criteria detailed in top left hand corner of the scenario table.

Scenario A (Liverpool)

Housing Requirement 14,000

	Excluding Stevenage/Knebworth sites in years 2020-2022	2019	2020	2021	2022	2023	2024
W	Revised Target	0	500	500	500	500	500
X	Revised Housing Schedule ED 178 Appendix A, page 12		401	494	474	780	1,205
Y	Deductions (Stevenage/Knebworth GB) *	0	-100	-200	-304	0	0
Z	Adjusted Projected Delivery NHDC Matter 6 Maturity Table	0	301	294	170	780	1,205
A	Cumulative completions since 1 April 2011	2,496	2,797	3,091	3,261	4,041	5,246
B	Cumulative target since 1 April 2011	2,800	3,300	3,800	4,300	4,800	5,300
C	Shortfall against target as at 1 April (A-B)	-304	-503	-709	-1,039	-759	-54
D	Target for next five years	2,500	3,250	4,000	4,750	5,500	6,250
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	127	229	355	577	474	39
F	Buffer to be applied	20%	20%	20%	20%	20%	20%
G	Total five year requirement (D + E) * F	3,152	4,174	5,225	6,393	7,169	7,546
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820	6,914
I	Years land supply (H / G) * 5	5.3	5.3	5.1	4.9	4.8	4.6

***Source: NHDC Matter 6 Table A, pages 11 & 12**

Excluding contributions from the Stevenage and Knebworth sites* in years 2020 - 2022 would result in a failure in the 5 year Land Supply Coverage Ratio in years 2022- 2024.

**Please note Thames Water have advised Stevenage Borough Council (October 2019) of an inability of the existing FOUL WATER network infrastructure (Ryes Mead Treatment Plant) to accommodate the needs of the HO3 development proposal (Appendix 2). As such this could affect development of Stevenage and Knebworth sites under the NHDC Plan depending on the timing of capacity improvements and adversely affect the five land supply.*

Scenario A (Sedgefield results)

2020	2021	2022	2023	2024
4.9	4.7	4.5	4.5	4.6

In order to more accurately assess maturities under the Revised Housing Schedule the Council should provide a breakdown of the revised maturity schedule on the basis of that accompanying Matter 6.

Has the 401 completions to 1/4/20 detailed in the Revised Housing Schedule been achieved?

Scenario B (Liverpool)

Housing Requirement 14,000

	2019	2020	2021	2022	2023	2024
Excluding East of Luton Sites						
Revised Target		500	500	500	500	500
Revised Housing Schedule ED 178 Appendix A, page 12		401	494	474	780	1,205
Deductions – East of Luton Sites*	0	0	-140	-190	-190	-190
Adjusted Projected Delivery ED 178	0	401	354	284	590	1,015
A Cumulative completions since 1 April 2011	2,496	2,897	3,251	3,535	4,125	5,140
B Cumulative target since 1 April 2011	2,800	3,300	3,800	4,300	4,800	5,300
C Shortfall against target as at 1 April (A-B)	-304	-403	-549	-765	-675	-160
D Target for next five years	2,500	3,250	4,000	4,750	5,500	6,250
E Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	127	183	275	425	422	114
F Buffer to be applied	20%	20%	20%	20%	20%	20%
G Total five year requirement (D + E) * F	3,152	4,120	5,129	6,210	7,106	7,637
H Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820	6,914
I Years land supply (H / G) * 5	5.3	5.4	5.2	5.0	4.8	4.5

***Source: NHDC Matter 6 Table A, pages 11 & 12**

Were the East of Luton sites not to proceed the plan would fail in years 2023-2024 as detailed above.

Scenario B (Sedgefield)

2020	2021	2022	2023	2024
5.0	4.9	4.7	4.6	4.5

d) Is one of the other approaches to setting the five year housing land requirement explored in the Council's note, or another approach entirely, more appropriate? If so, why, and:

Two alternate scenarios are presented below,

Scenario C. Reduce development to 11,100 (in keeping with my response to Matter 21.1 c), maintaining a maturity date of 2031.

Scenario D. A reduction of the OAN to 7,950, with a shortened maturity of 2026.

The OAN of 7,950 is the 5 year ONS migration number of 7,227 adjusted for a Market Uplift of 10%. (Three stepped approach 350 Homes 2011-2019: 500 Homes 2019-2024: 1,325 Homes 2024-2026)

Shortening the maturity of the plan to 2026 is problematic in calculating the five year land supply. This is because the formulas driving the calculation require five years of future data.

The 10 year migration adjusted number were this considered to be more appropriate is 8,602 and is calculated as follows:

$$7,227 * 1.082 \text{ (10 year migration factor)} * 10\% \text{ (Market Uplift)}$$

$$10 \text{ year migration factor calculated as follows } (10,547 / 9,748) = 1.082x$$

****5 and 10 year migration numbers of 9,748 and 10,547 respectively are taken from ED171, Population and Household Projections Table, page 10.***

Scenario C

Housing Targets from 2024 onwards should be reduced to 830 (from 1,250). This would reduce the number of houses built to 11,110 but would result in more robust coverage ratios as follows:

Housing Requirement 11,100 Three-stepped approach

(Years 2011-2019 350 Homes: Years 2019-2024 500 Homes: Years 2024-2031 830 Homes)

(Liverpool Method)

	Reduction in housing deliveries from 2024 onwards to 830 houses per annum.	2019	2020	2021	2022	2023	2024
	Revised Target	0	500	500	500	500	500
	Revised Housing Schedule ED 178 Appendix A, page 12		401	494	474	780	1,205
	Deductions	0	0	0	0	0	0
	Adjusted Projected Delivery ED 178	0	401	494	474	780	1,205
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645	5,850
B	Cumulative target since 1 April 2011	2,800	3,300	3,800	4,300	4,800	5,300
C	Shortfall against target as at 1 April	-304	-403	-409	-435	-155	0
D	Target for next five years	2,500	2,830	3,160	3,490	3,820	4,150
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	127	183	205	242	97	0*
F	Buffer to be applied	20%	20%	20%	20%	20%	20%
G	Total five year requirement (D + E) * F	3152	3616	4037	4478	4700	4980
H	Projected delivery in five-year period	3354	4421	5347	6251	6820	6914
I	Years land supply (H / G) * 5	5.3	6.1	6.6	7.0	7.3	6.9

*Zero applied as the number is positive and would result in an overstatement of the 5 year ratio.

**Housing Requirement 11,100,
Plan Maturity 2031**

Three-stepped approach

(Years 2011-2019 350 Homes: Years 2019-2024 500 Homes: Years 2024-2031 830 Homes)

Sedgefield Method: Housing Target 11,100.

	Reduction in housing deliveries from 2024 onwards to 830 houses per annum	2019	2020	2021	2022	2023	2024
	Revised Target		500	500	500	500	500
	Revised Housing Schedule ED 178 Appendix A, page 12		401	494	474	780	1,205
	Deductions		0	0	0	0	0
	Adjusted Completions	0	401	494	474	780	1,205
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645	5,850
B	Cumulative target since 1 April 2011	2,800	3,300	3,800	4,300	4,800	5,300
C	Shortfall against target as at 1 April	-304	-403	-409	-435	-155	0*
D	Target for next five years	2,500	2,830	3,160	3,490	3,820	4,150
E	Shortfall to be addressed in five year period (Sedgefield method) -C	304	403	409	435	155	0
F	Buffer to be applied	20%	20%	20%	20%	20%	20%
G	Total five year requirement (D + E) * F	3,365	3,880	4,283	4,710	4,770	4,980
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820	6,914
I	Years land supply (H / G) * 5	5.0	5.7	6.2	6.6	7.1	6.9

*Zero applied as the number is positive and would result in an overstatement of the 5 year ratio.

As detailed in the below Results Table for scenarios A and B in 22.2 c), the improved coverage ratios would improve the negotiating position for the Council in resisting developer demands for concessions on reduced contributions etc.

Housing Requirement 11,100 Three-stepped approach

(Years 2011-2019 350 Homes: Years 2019-2024 500 Homes: Years 2024-2031 830 Homes)

Excluding Stevenage /Knebworth site years 2020-2022	2019	2020	2021	2022	2023	2024
Liverpool	5.3	6.0	6.3	6.4	6.6	6.9
Sedgefield	5.0	5.5	5.8	5.8	6.2	6.9

Excluding East of Luton Sites	2019	2020	2021	2022	2023	2024
Liverpool	5.3	6.1	6.5	6.7	6.7	6.8
Sedgefield	5.0	5.7	6.0	6.1	6.3	6.7

Scenario D

Housing Target 7,950 5 year ONS Migration figure Plan Maturity 2026

Three Stepped Approach

(2011-2019 350 Homes per year: 2019-2024 500 Homes per Year: 2024-2026, 1,325 Homes per year)

	Liverpool Method	2019	2020	2021	2022	2023	2024
	Reduction in Plan Maturity to 2026: Increase housing deliveries from 2024 to 2026 to 1,325	0	500	500	500	500	500
	Revised Housing Schedule ED 178 Appendix A, page 12		401	494	474	780	1,205
	Deductions	0	0	0	0	0	0
	Adjusted Projected Delivery ED 178	0	401	494	474	780	1,205
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645	5,850
B	Cumulative target since 1 April 2011	2,800	3,300	3,800	4,300	4,800	5,300
C	Shortfall against target as at 1 April	-304	-403	-409	-435	-155	0*
D	Target for next five years	2,500	3,325	4,150	3,650	3,150	2,650
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	127	183	205	242	86	-
F	Buffer to be applied	20%	20%	20%	20%	20%	20%
G	Total five year requirement (D + E) * F	3,152	4,210	5,225	4,670	3,883	3,180
H	Projected delivery in five-year period	3,354	4,421	5,347	4,873	4,093	2,888
I	Years land supply (H / G) * 5	5.3	5.3	5.1	5.2	5.3	4.5

*Zero applied as the number is positive and would result in an overstatement of the 5 year ratio.

Cumulative completions taken from ED178 Appendix A to 1/4/2026 total 8,738 . This compares with the ONS 5 year migration adjusted number of 7,950 and the ONS 10 year migration adjusted number of 8,602.

ONS 5 Year Migration	2019	2020	2021	2022	2023	2024
Liverpool	5.3	5.3	5.1	5.2	5.3	4.5
Sedgefield	5.0	4.9	4.9	5.0	5.2	4.5

ONS 10 Year Migration	2019	2020	2021	2022	2023	2024
Liverpool	5.3	4.9	4.5	4.7	4.5	3.6
Sedgefield	5.0	4.5	4.3	4.3	4.3	3.6

(i) what should the Council do to ensure that it can demonstrate a five year supply of land for housing under this approach?

The Council could adopt either Scenario C (OAN 11,100, Maturity 2031) or Scenario D (OAN 7,950/8,602, Maturity 2026) detailed in question d) above.

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

Either of the above two options in (i) above would expedite matters. In Scenario C the lower OAN figure could permit a reduction in the reliance on green belt land for development while maintaining the core elements of the Plan.

Scenario D is a more radical option and reflects the inherent failure of the Plan

From a practical perspective, but for the problem in the functioning of the Five Year Land Supply calculation as the Plan enters the last four years to maturity, as noted in my response to Matter 21c, shortening the Plan to 2026 would permit clarification as to the use of ONS or CLG methodology, and migration trends, permitting a New Plan to be brought forward based on more up to date and reliable data.

(iii) if taking this approach would lead to a significant further delay to the Local Plan examination – which, for example, may be the result if new housing sites would be needed – would that have a consequential impact on the amount of new land that would need to be allocated for housing?

No Comment.

Attachments

Appendix 1: Complete NHDC Scenario 6 Excel Spreadsheet Model

Appendix 2; Thames Water response to Stevenage North HO3 Planning Application.