North Hertfordshire District Local Plan Examination

09/20

Written Statement on behalf of Osprey Homes

Matter 22



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Matter 22 – Written Statement

Introduction

- 1 This Written Statement has been produced on behalf of Osprey Homes (Osprey), which are the owners of the land identified as proposed allocation HT2 in the Proposed Submission Local Plan 2011-2031.
- 2 Osprey welcomes the opportunity to engage with the examination process, especially in relation to Matter 22 the supply of land for housing.
- 3 Below we set out our client's brief responses to the Inspector's questions relating to the overall housing supply and the five-year housing land supply:

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?
- The 2018 based Household Projections form the basis for the suggested reduction of the overall housing requirement to 13,000 dwellings.
- In our separate representations in respect of Matter 21 (the OAN and the housing requirement) we have highlighted that the 2018 based Projections share the same deficiencies that were contained in the 2016 based Projections, which the Government considered not to be fit for purpose. For that reason, the Planning Practice Guidance (PPG) continues to advocate that local authorities use the 2014 based Household Projections as the basis for establishing their housing requirement figure.
- Consequently, it is our strongly held view that the District Council should not be changing its OAN given the known deficiencies of the 2018-based Household Projections and the fact that Projections should only be used as a starting point for determining the overall housing requirement figure.

- The shortcomings of the 2018 based Projections mean that they are neither reliable nor fit for purpose, therefore, it would be wrong to now seek to amend North Hertfordshire's OAN based upon their content. In particular, the fact that the Office for National Statistics took the unusual and exceptional decision for the principal 2018 based projection to draw upon domestic migration trends over two years, rather than the traditional five means that it is very difficult to judge whether the identified short-term trend will be replicated over the far longer term.
- Household Formation Rates (the rate at which different age groups in the projections are likely to form their own independent household) are another major cause of concern. Like with their previous 2016-based household projections, ONS have used a much shorter trend period (from 2001 onwards) than the previous MHCLG household projections (1971 onwards) to inform their projected Household Formation Rates.
- The new ONS approach was questioned by Government prior to advocating use of the 2014-based MHCLG household projections ahead of the 2016 series for the Standard Method included in the 2019 NPPF. We consider that the ONS approach lacks logic given that it is well recognised that household formation has been steadily declining in younger age groups since 2001 as a result of the rapidly worsening affordability across the country.
- Furthermore, in terms of the requirements of Paragraph 182 of the NPPF for Plans to be positively prepared, justified, effective and consistent with national policy, we would strongly question whether a reduction now of North Hertfordshire's housing requirement to 13,000 dwellings and undertaking an early review of the Plan would be either sound or the most appropriate way forward.
- 11 We believe that it would result in short-term housing constraint prior to a much bigger increase in North Hertfordshire's OAN then being required when the Local Plan is reviewed. This would be detrimental to meeting North Hertfordshire's current housing needs. It would not be helpful in terms of making housing more affordable or delivering much needed affordable housing.

- 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. We do not consider that any reduction of the housing requirement to 13,000 dwellings is warranted given the significant weaknesses that are prevalent within the 2018 based Projections.
- Our Matter 21 Written Statement refers to Lichfields' 'How many homes? The new standard method' which highlights that¹:
 - Average delivery in the past 3 years in North Hertfordshire has been 347 dpa.
 - The current standard methodology identifies a requirement of 973 dpa.
 - The proposed new standard methodology requirement is likely to be 625 dpa.
- 14 It is evident from the above that the District's recent housing delivery record has been poor. The latest housing delivery test figures published on 13 February 2020 show that the housing delivery test 2019 measurement for North Hertfordshire as being only 44%. The consequence of this is therefore 'presumption' i.e. presumption in favour of sustainable development, which is the most severe penalty.
- Accordingly, it would be completely inappropriate to now seek to remove proposed housing allocation sites identified within the Submission Draft Local Plan, particularly given the amount of work undertaken by both developers and Council Officers in order to bring forward these sites for development in a timely manner. To do so, would seriously risk future housing development in North Hertfordshire not being Plan-led, and instead coming forward in a haphazard way via opportunistic planning applications and appeals.
- 16 Furthermore, it is important to note the Authority's current severe shortfall in housing land supply. The 2018/19 AMR identified this as of 1 April 2019 as being only 1.3 years². The backlog in housing supply now needs to be urgently addressed. It is also evident that affordable housing delivery in North Hertfordshire has also been very weak, particularly over the last two monitoring years³.

¹ P.14, Lichfields' How Many Homes? The New Standard Method (August 2020)

² P.21, North Hertfordshire Annual Monitoring Report 2018/19

³ Paragraph 6.54, North Hertfordshire Annual Monitoring Report 2018/19

	Affordable Completions	% of Net Completions	Target (%)
2016-17	118	22	33
2017-18	37	13	33
2018-19	24	11	33
2011-18	476 (an average of 68 dpa)	19	33

- c) Is a 'buffer' or around 13% an appropriate approach? If not, why not?
- 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?
- 17 Yes. The inadequacies of the recently published 2018 based Household Projections mean that they simply cannot be relied upon as a basis for significantly reducing the overall housing requirement figure and under-provision of housing in the District.
- 18 We consider that the exceptional circumstances required for the release of land from the Green Belt for housing development continue to exist. We do not believe that the proposed reduction of the OAN to 13,000 dwellings is warranted, or that there would be an increase in the buffer from approximately 6% in the Submitted Local Plan to 13% in the actual housing land supply given that the proposed new housing requirement figure would be based upon unreliable data.
- 19 Notwithstanding the above, we note that **ED191B** makes the important point⁴ that Councils can lawfully propose a substantive buffer over and above the housing requirement. In particular, it draws upon the example of Guildford. This case⁵ demonstrates that providing choice and flexibility over and above the housing requirement can be a contributory factor to the 'exceptional circumstances' required to release land from the Green Belt. It refers to the fact the 13% buffer proposed by North Hertfordshire District Council (NHDC), when considered against the revised housing requirement for the District, is substantially smaller than that proposed by Guildford (approximately 40% over the housing requirement).

⁴ Paragraph 32, ED191B

⁵ Compton Parish Council & Ors v Guildford Borough Council & Anor [2019] EWHC 3242 (Admin) (04 December 2019), https://www.bailii.org/ew/cases/EWHC/Admin/2019/3242.html, accessed July 2020

The Five-Year Housing Land Supply:

- a) Are the Council's calculations correct/accurate?
- We are not aware of any errors in the Council's five-year housing land supply calculations.
 - 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 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?
- Yes, as we have already observed above, average delivery in the past 3 years in North Hertfordshire has been 347 dpa. Consequently, we agree with the District Council that the buffer required by paragraph 47 of the NPPF should be 20%.
 - 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?
 - 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 fiveyear supply of land for housing under this approach?
 - (ii) what would taking this approach mean for the progress of the Local Plan examination?
- Osprey notes that NHDC's proposed 'three-stepped approach' has identified the five-year housing supply (5YLS) requirement as being 350 dwellings per annum (dpa) in the period 2011-20, 500 dpa in the period 2020-2024 and 1,120 dpa in the period 2024-31. The consequences of this being, that the annual 5YLS requirement figure more than trebles in just over three and a half years' time. This will have significant implications for the District Council, particularly when a 20% buffer is then applied.
- In terms of demonstrating and maintaining a supply of specific deliverable sites sufficient to provide five years' worth of housing there will need to be heavy reliance placed upon the delivery of small and medium sized developments. These will provide greater choice and competition in the housing market, as well as ensure housing delivery is boosted over the short to medium term. This being particularly

- important within the context of ensuring that overall housing delivery rates do not fall whilst larger sized allocations wait to be brought on stream.
- Osprey notes that **ED191B** sets out Housing Delivery and Five-Year Housing Land Supply for North Hertfordshire as of 1 April 2020, which indicates that site HT2 (Land north of Pound Farm, London Road [St Ipolyts Parish]) will deliver 28 dwellings annually in year's 2022/23, 2023/24 and 2024/25. It can confirm that it fully supports the Housing Trajectory's finding that its proposed development at Pound Farm will deliver the full proposed allocation figure of 84 dwellings within the Council's identified Five-Year Housing Land Supply.
- Osprey have proactively engaged with the Council, the County Council, the Parish Council and local residents in preparing the proposals for the site and in developing plans that can be submitted as part of the planning application.
- 26 Pre-application discussions with NHDC regarding the proposed residential development of the site commenced in September 2017. Further pre-application discussions with the Council have continued considering the design and layout of the proposal and the proposed housing mix having been developed in consultation with Officers and the local community.
- 27 Pre-application engagement with other consultees including the Local Highway
 Authority and the Lead Local Flood Authority (Herts County Council) have also taken
 place. With regard to access, the location of the access on London Road and the
 junction design (T-junction) has been agreed in principle with the Local Highway
 Authority.
- Osprey Homes has commissioned various consultants to undertake technical work feeding into the design and layout of the scheme and which will also feed into reports that will accompany the planning application submission. The technical work covers the following:
 - Archaeology
 - Landscape & Visual Impact Assessment
 - Geo-environmental and Land Contamination
 - Heritage
 - Arboriculture

- Flood Risk, Drainage and SuDs Strategy
- Transport and Highways
- Ecology
- Noise
- Air Quality
- Energy
- The proposals have been informed by the technical work and feedback that has been received by officers at NHDC and HCC and also that received at meetings with St Ippolyts Parish Council (April 2018 and June 2019 and a virtual meeting in July 2020).
- Public consultation has involved the delivery of newsletters to residents occupying those properties in the area surrounding the site and a virtual public exhibition which has gone live. This virtual exhibition incorporates a designated website that allows members of the public to view the proposal and provide their feedback. Osprey have informed us that as a result of the virtual exhibition, they have already received a number of applications to buy on their site from people residing in the immediate locality.
- It is currently anticipated that a planning application for the Pound Farm development will be submitted around late September / early October 2020.
- Given recent poor annual housing delivery rates in North Hertfordshire, Osprey considers it vitally important that the new Local Plan is now brought forward to adoption in a prompt manner, and that a pragmatic and realistic approach is taken to the Council's five-year housing land supply.

PC/898

15 September 2020