



## **Gladman Developments Ltd**

### **Examination of North Hertfordshire Local Plan 2011- 2031**

#### **Matter 4 – The Housing Strategy: The supply of land for housing (Policy SP8)**

##### **The Five Year Housing Land Supply**

**4.3 Overall, is there a supply of specific deliverable sites sufficient to provide five years worth of housing, with an appropriate buffer (moved forward from later in the plan period) to ensure choice and competition in the market for land? In particular:**

**a) What is the five year requirement?**

**b) Within the five year requirement, is there a need to take into account of any backlog (under delivery from earlier plan periods), or is this accounted for in the OAN?**

**c) Within the five year requirement, is there a need to take into account of any shortfall (under delivery in the plan period i.e. from 2011)?**

**d) Any shortfall should be dealt with either in the first five years of the plan-this is the Sedgfield method – or over the whole plan period – this is the Liverpool method. If there**

**is a shortfall to be accounted for, does the Council propose to use the Liverpool or Sedgefield method, and what is the justification for the approach proposed?**

**e) Has there been a record of persistent under delivery of housing, such that a buffer of 20% should be added (for consistency with paragraph 47 of the framework)?**

**f) Has any allowance been made for windfall sites in the five year supply? If so, in the light of paragraph 48 of the Framework, what is the compelling evidence to justify this?**

**g) What (other) assumptions have been used to inform the five year supply calculation (such as any discount based on historic lapse rates, annual yields etc) and are they justified?**

4.3.1 In respect of Matter 3 Gladman has argued that the Objectively Assessed Need for North Hertfordshire (and hence the housing requirement) should be significantly higher than that proposed in the Local Plan. Nevertheless for the purpose of this submission, Gladman works on the basis of the housing requirement for the plan period being 15,950 dwellings. On that basis Gladman considers that the 5 year requirement is 4,151 dwellings incorporating a shortfall of 1,006 dwellings (1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2017) and a buffer of 20%. Gladman's calculation of the 5 year supply, based on the Sedgefield approach and based on the Council's housing trajectory as set out in the

Housing and Green Belt Background Paper Partial Update September 2017, is set out in the Table below.

**Table 1: 5 year Housing Land Supply as 1<sup>st</sup> April 2017 (Council figures).**

A	Housing Target 2011 – 2031	15,950
B	Completions 1 <sup>st</sup> April 2011 to 31 <sup>st</sup> March 2017	1,994
C	Target 1 <sup>st</sup> April 2011 to 31 <sup>st</sup> March 2017	3,100
D	Shortfall against target at 1 <sup>st</sup> April 2017 (B-C)	-1,006
E	Target 1 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2022	3,001
F	Shortfall to be addressed in 5 year period (Sedgefield methodology)	1,006
G	Buffer to be applied	20%
H	Total five year requirement $E + F * G$	4,927
I	Projected delivery 1 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2022	4,412*
J	Years land supply $(I/H) * 5$	4.48

\* Council's figures not accepted by Gladman

4.3.2 The above calculation incorporates a shortfall of 1,006 dwellings for the period 2011 to 2017 in accordance with the Council's calculation.

4.3.3 Gladman considers that the shortfall should be addressed during the first five years of the Plan post adoption. The Council's approach in advocating the Liverpool methodology does not accord with the Government's objective of significantly boosting housing supply. Moreover, the National Planning Practice Guidance (PPG) is clear that local planning authorities should aim to deal with any undersupply within the first five years of the plan period where possible i.e. the 'Sedgefield' method. PPG explicitly states that where the undersupply cannot be met in the first five years, local planning authorities will need to work

with neighbouring authorities under the 'Duty to Cooperate'; this is the route to be followed where the Sedgefield methodology cannot be followed.

- 4.3.4 The PPG makes no reference to that shortfall being addressed over the remainder of the plan period. A literal reading of the PPG would therefore appear to exclude the Liverpool method in its entirety; either the shortfall is met in the first five years or it is met in another authority under the duty to co-operate.
- 4.3.5 Gladman disagrees with the Council's Housing Trajectory insofar as anticipated delivery rates on large allocated sites are concerned. For the major housing allocations proposed in the Local Plan, Gladman has applied the average lead in times referred to in the 2016 study produced by NLP "Start to Finish; How Quickly do Large Scale Housing Sites Deliver?"<sup>1</sup> Applying those lead in times removes 820 dwellings from the Councils' claimed 5 year housing land supply. Tables 2 and 3 below illustrate Gladman's recalculation of the 5 year supply applying the Sedgefield and Liverpool methodologies respectively.

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<sup>1</sup> The NLP Study is attached at Appendix 1 of our Matter 6 Hearing Statement

**Table 2: 5 year Housing Land Supply as 1<sup>st</sup> April 2017 Sedgefield Methodology (Gladman figures).**

A	Housing Target 2011 – 2031	15,950
B	Completions 1 <sup>st</sup> April 2011 to 31 <sup>st</sup> March 2017	1,994
C	Target 1 <sup>st</sup> April 2011 to 31 <sup>st</sup> March 2017	3,100
D	Shortfall against target at 1 <sup>st</sup> April 2017 (B-C)	-1,006
E	Target 1 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2022	3,001
F	Shortfall to be addressed in 5 year period (Sedgefield methodology)	1,006
G	Buffer to be applied	20%
H	Total five year requirement E + F * G	4,927
I	Projected delivery 1 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2022	3,592 (4,412-820)
J	Years land supply (I/H) * 5	3.65 years

**Table 3: 5 year Housing Land Supply as 1<sup>st</sup> April 2017 Liverpool Methodology (Gladman figures).**

A	Housing Target 2011 – 2031	15,950
B	Completions 1 <sup>st</sup> April 2011 to 31 <sup>st</sup> March 2017	1,994
C	Target 1 <sup>st</sup> April 2011 to 31 <sup>st</sup> March 2017	3,000
D	Shortfall against target at 1 <sup>st</sup> April 2017 (B-C)	-1,006
E	Target 1 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2022	3,100
F	Shortfall to be addressed in 5 year period (Liverpool methodology) [D * (5/14)]	359
G	Buffer to be applied	20%
H	Total five year requirement E + F * G	4,151
I	Projected delivery 1 <sup>st</sup> April 2017 to 31 <sup>st</sup> March 2022	3,592 (4,412-820)
J	Years land supply (I/H) * 5	4.33 years

- 4.3.6 Tables 2 and 3 confirm that the Council is unable to demonstrate a five year supply of housing land on adoption of the Local Plan utilising either the Liverpool or Sedgefield methodology. It is important to note that Gladman at this stage has only looked at the Council's anticipated delivery rates on large allocated sites. It is likely that if the anticipated delivery rates on all allocated sites was to be analysed carefully, the projected delivery for the period 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2022 would actually be worse and the 5 year supply substantially less than as set out in Tables 2 and 3.
- 4.3.7 The Council's own evidence indicates a persistent under-performance against housing targets since 2011. It is evident that a 20% buffer should be applied in accordance with paragraph 47 of the NPPF and this is accepted by the Council.
- 4.3.7 The Council's Housing Trajectory set out in Appendix 2 of its Housing and Green Belt Background Paper Partial Update September 2017, includes a windfall contribution of 990 dwellings for the period 2019 to 2031. (This comprises 560 dwellings on small sites and 430

on large sites) In addition a further 550 dwellings are anticipated on unspecified broad locations between 2027 and 2031.

- 4.3.8 The extent of this anticipated windfall allowance is significant but unjustified. The Council's own evidence<sup>2</sup> suggests that since 2011 windfalls have represented an annual average of 63 dwellings. Instead of a heavy reliance on windfalls, the Local Plan should provide greater certainty by allocating additional specific sites for housing development.

**4.4 Paragraph 4.99 of the Plan says that "housing supply will be measured against targets to deliver an average of 500 homes per year (from 2011 to 2021)...for the period beyond 2021, a target of 1,100 homes per year will apply". Is it intended that the five year requirement should be calculated on this basis? What is the justification for this approach?**

- 4.4.1 Gladman is not aware of any reasoned justification put forward for the proposed staged approach to the housing target put forward by the Council. Paragraph 4.97 of the Local Plan notes that *"These targets require housing completions within the District to accelerate well above those achieved historically"*. However, whilst completions since 2011 have been at a relatively low level, the Council's Annual Monitoring Report for 2009-10 reports that housing completions for the period 2002 to 2009 averaged at 562 dwellings per annum and exceeded 700 in 2002 and 2008. Gladman considers that, given the allocation of appropriate deliverable sites, the housebuilding industry is capable of a significant increase in the level of housing completions in the District.
- 4.4.2 Paragraph 4.98 of the Local Plan also states that *"This {the Government's aim for a significant boost in the supply of housing} needs to be balanced against realistic expectations about when we can expect to see new homes built. This is especially the case on the largest sites which can require significant upfront investment in infrastructure such as new roads. As a result most of the planned new homes are likely to be delivered after 2021."*
- 4.4.3 Gladman agrees that the delivery of housing on the larger sites will not commence in many instances until post 2021. The appropriate solution to this problem is, however, to allocate additional smaller sites in sustainable non Green Belt locations that can be delivered in the early years of the Plan. Gladman considers that it is imperative that North Hertfordshire's housing needs should be met now and not in effect deferred to the period post 2021,

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<sup>2</sup> North Herts SHLAA update 2016

particularly given that there is already a shortfall in housing provision of 1,006 dwellings since 2011.