

RESPONSE TO THE EXAMINERS QUESTIONS

Matters 1 - 4

Matter 2 – Sustainable development: the settlement hierarchy (Policy SP2)

Issues

Examiners Questions

2.1 Policy SP2 sets out the Plan's settlement hierarchy. This comprises four tiers – Towns, Category A Villages, Category B Villages and Category C Settlements.

- a) Is each settlement placed within the most appropriate tier?
- b) What factors have been taken into account when deciding which tier each settlement should be placed in?
- c) Is the hierarchy supported by the Sustainability Appraisal?

2.2 Through Policy SP2, the "majority of the District's development" is directed to the Towns. "General development" is allowed within the defined boundaries of Category A Villages. "Infilling development which does not extend the built core of the village" is allowed in Category B Villages. "Only limited affordable housing and facilities for local community needs" are allowed in Category C Settlements.

- a) Should Policy SP2 be more specific about the amount of different types of development that is anticipated in each tier of the hierarchy, or even in each settlement?

COMMENTS ON QUESTIONS

2.1

- The objective of the government is to build 300,000 houses each year for the foreseeable future. This is a ever changing objective and one the Local Plan must accept. The District should not adopt a prescribed limit on house building in this Plan and instead accept that a review will take place every 5 years in accordance with the Housing White Paper

2.2

- This means that the guidelines set out in the NPPF must be followed

2.3

- **Sustainable Development** has three dimensions, economic, social and environment which should be followed in that order

2.4

- The Local Plan does not follow the criteria set out in the NPPF but sets out their environmental criteria but does not concentrate on economic and social dimensions which are the main core of the definition of sustainable development. This approach needs to change with explicit reference to the economic and social dimensions set out in the NPPF

2.5

- The economic dimension sets out the process whereby land of the right type and in the right place should be identified to build houses. It is the criteria for persisting in a pattern for economic growth. This Local Plan only concentrates on a minimum criteria

2.6

- The social dimension sets out the need to build houses that will cater for the needs and demands for current and future residents in the area. This Plan totally ignores the need for building houses not just to cover indigenous population growth in North Hertfordshire but in its need to attract new population from the overspills in both Luton [expansion of the Luton Airport and the wish to attract new business to the area] and at Stevenage where the Council and Business hope to promote the town to become a centre for medicinal research and production] both these projects will means an increased workforce who should be attracted to North Hertfordshire.

2.7

- The Environment dimension is an add on in the definition to assist both the economic and social dimensions. This aims to protect the way people live in an area but also to mitigate global warming and bring about a low cost carbon economy for the future by using energy efficient construction products. This in turn provides houses that are low cost to manage

2.8

- In addition there is the new office facilities being established at Kings Cross / St Pancras where some 3/4000 new employees will be working. Train facilities to Hitchin and Luton will attract new home buyers and those wishing to rent who will want to live in North Hertfordshire. Equally North Hertfordshire should establish a strategy to attract new residents to this area.

Review the Plan Every Five Years

2.9

The Plan should either instigate a buffer to accommodate this positive strategic approach for an increase in the building of new houses to cater for a dynamic economic growth in the area or better still set out a clear policy that the Plan will be reviewed every 5 years [2021, 2026, and a totally new Local Plan in 2031]. In this way the Authority can have an ongoing dialogue with active partners in the process culminating in the review in these years. It also will be able to maintain its potential 5 year h/l supply of houses

2.10

The government ONS quota will change, the overspill from both Luton and Stevenage will be determined, the inward investment of commercial and retail activity will enhance the economic reality of the area, the population will naturally increase. This will result from a strategic policy to attract business and other inward investment to North Hertfordshire. This will undoubtedly come about because both housing and infrastructure policies are in place in advance of setting out to attract all this new activity into North Hertfordshire.

2.11

If the policies are in place the expansion of the economic and social strategy will follow. Environmental policies will also be a part of that strategy to further make the area attractive to live and do business.

Role of villages in the housing culture

2.12

Villages can play a significant role in the development of North Hertfordshire and therefore a more flexible approach should be adopted regarding the boundaries that are designated for villages and their building of houses. Category A villages that can provide the background amenities to expand house development should not have their boundaries prescribed. Rather there should be flexible entitlement for sites that come available, and can be sustainable under the NPPF criteria to withstand the rigours of a planning application and should be free to do so without any obstacles imposed in this Plan. It should be accepted that boundaries can be extended to cater for new building expansion, especially when there are no available sites within the village boundary

2.13

If we are to see economic and social growth, fulfil the terms under the governments 10 Point plan for rural development this must be accepted, set out in 2.16

2.14

- The Local Plan gives no message to cover in detail these three dimensions and therefore this Plan may provide an excuse to refuse planning applications

The Local Plan gives out messages which in some ways provide more emphasis to refuse planning applications

2.15

The NPPF guidelines set out the process for:-

- Looking towards a dynamic approach to building houses which must be followed if the 300,000 houses are to be built
- The speed in which planning applications can be granted is not specified and the Plan could give encouragement to all concerned that the building process will be expedited if a 5 year h/l supply is to be maintained.
- The Plan appears to give a message that protects the environment as a priority at the expense of economic growth
- The Plan appears to work towards a minimum quota of houses to be built in North Hertfordshire

2.16

The Local Plan needs to examine not just economic growth in towns but also in rural areas
The governments 10 Point Plan for prosperity should be fully taken on board

- Towards a one nation economy: A 10-point plan for boosting productivity in rural areas
August 2015

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/454866/10-point-plan-rural-productivity-pb14335.pdf

Growth in towns and villages

2.17

The trend in the Plan is to concentrate house building in towns where existing infrastructure is available. The problem is that most towns have little space for expansion unless the Green Belt is built on. Equally the cost of land continues to be expensive for affordable housing. In fact for all house building in towns

2.18

The Plan does not appear to recognise the cost of building new houses in towns nor accepting that many new residents will not wish to live in small houses with no outdoor access to personal facilities

- Encouragement of economic and social growth in villages should be encouraged to avoid them becoming retirement dormitories
- Category A villages to participate in the development of a dynamic society

2.19

The policy set out here in this Plan appears to be a prescriptive policy and restricts potential growth patterns as the community needs to expand in villages. The designation of boundary lines is insufficient to cater for and future expansion over the next 14 years. In effect the policy is promoting a stagnant approach often desired by those in villages that want no new houses built.

2.20

The impression given is that once this Plan is adopted there can be no future building in villages except within the boundary. This is not a positive approach to a planning policy especially when in some villages there are no sites available within the village boundary.

2.21

Category A villages can sustain an increase in house building potential in line with the 10 Point Plan Announcement mentioned above covering rural communities to emphasise their economic and social growth

2.22

The policy set out in 4.8 should be welcomed but there is a danger that it could allow the strategic emphasis to support the "not in my back yard" [NIMBY] syndrome. There should be a date set out for this strategy to be reviewed.

Matter 3 – The housing strategy: the objectively assessed need for housing and the housing requirement (Policy SP8)

Examiners Questions

Issues

The objectively assessed need for housing

3.1 Figure 3 of the Plan identifies most of the District as being within the Stevenage Housing Market Area (HMA) and part of it as being within the Luton HMA. This is based on the conclusions of Housing Market Areas in Bedfordshire and Surrounding Areas – Report of Findings (December 2015) by Opinion Research Services [HOU2]. Is this a robust evidential basis?

3.2 Paragraph 2.39 of the Plan says that the objectively assessed need for housing ("the OAN") in the District over the plan period (2011 to 2031) is 13,800 homes.

a) I understand that this stems from the conclusions of Updating the Overall Housing Need Based on 2014-based Projections for Stevenage and North Herts (August 2016) by Opinion Research Services [HOU3]. Is that correct?

b) Does the 13,800 figure include housing need arising in the part of the District that falls within the Luton HMA?

c) Does Stevenage accept that its OAN is 7,600 homes, as HOU3 indicates, and has its Local Plan been based on that OAN figure?

3.3 What methodological approach has been used to establish the OAN, and does it follow the advice set out in the Planning Practice Guidance (under the heading 'Methodology: assessing housing need')?

In particular:

a) I understand that the OAN is based on applying a 10 year migration trend (2005 to 2015) to the ONS 2014-based sub-national population projections and the Government's 2014-based household projections. Is that correct? If so, why? Why is this more appropriate than the 'starting point' estimate provided by the Government's household projections?

b) An uplift has been added to the OAN to take account of concealed families and homeless households. Precisely what level of uplift is used? How has this figure been arrived at and is it justified?

c) An uplift of 10% has been added to reflect market signals. I understand that this relates to house prices – in short, that it is to improve affordability. Is that correct? How has this 10% figure been arrived at and is it justified?

d) Have employment trends been taken into account? If so, how, and what conclusions are drawn in this regard?

e) Does the OAN provide enough new homes to cater for those taking up the new jobs expected over the plan period?

f) Overall, has the OAN figure been arrived at on the basis of a robust methodology?

The housing requirement set out in Policy SP8

3.4 Policy SP8 says that between 2011 and 2031 the Council will release sufficient land to deliver at least 14,000 new homes for North Hertfordshire's own needs, and will provide additional land within the Luton HMA for a further 1,950 homes as a contribution towards the unmet needs for housing arising in Luton. This amounts to a housing requirement of 15,950.

a) Are these intended to be net figures?

b) Will the housing requirement ensure that the need for affordable housing will be met?

COMMENTS ON QUESTIONS

3.1

North Hertfordshire does not currently have a 5 year house / land supply and therefore the criteria for assessing house numbers is out of date

3.2.

The OAN is out of date and needs to take on board a more up to date Assessment taking into account the future needs of both Luton and Stevenage. In addition attracting new residents from London.

3.3.

It should be noted that under the terms of the Housing White Paper a Local Plan will need to be reviewed every 5 years - in 2021, 2026 and in 2031. The Local Plan is working to a minimum quota of new houses. In my view the ONS will be looking for a radical increase and this needs to be planned now in order for building projects to be set in motion

3.4.

The Local Plan might give the image that these minimum quota will provide the Council with the opportunity to refuse planning applications once these quotas have been met. The Plan should adopt a flexible approach to determining planning applications

3.5.

Migration of residents will be attracted to North Hertfordshire making it a prosperous place to live, bringing economic growth, greater spending power and encouraging business opportunities. Inward investment to the district should be encouraged

3.6.

The building of new houses itself creates jobs, not just for those building these houses but other related trades. This all adds to the economic growth for the area

3.7

Bearing in mind what I have stated earlier that North Hertfordshire could aspire to be a dynamic area to attract inward investment and therefore growth the Plan needs to adopt a sensitive approach which does not create any obstacles for building houses, commercial, retail activity, leisure facilities plus new infrastructure.

3.8

◇ The spin off to this economic and social growth spreads into all aspects of our daily life. The health service, social care, education, highways and general amenities will all need to be managed and there is some argument for establishing a task force involving all the actors / partners in this process as an ongoing exercise to adapt the Local Plan as needs arise but planning ahead.

◇ The building of new houses will bring in revenue to local authorities, firstly through the building levy charged on every new building, secondly through the community charge and thirdly by the general spending power generated by an increase in employed individuals wanting services in the community.

Matter 4 – The housing strategy: the supply of land for housing (Policy SP8) Issues

Examiners Questions

The overall supply of land for housing

4.1 Policy SP8 says that new homes will be delivered through the following sources: Completions, permissions and allowances – 4,340

Strategic housing sites – 7,700
Local housing allocations – 4,860

This totals 16,900 new dwellings. What is the justification for planning a supply of around 6% above the Plan requirement?

4.2 4,340 dwellings are expected from completions, permissions and ‘other allowances’.

Paragraph 4.89 of the Plan says that these allowances include windfall delivery as well as ‘broad locations’

- a) How many homes have been completed since 2011?
- b) How many other homes have been granted planning permission since 2011, but have yet to be completed?
- c) What level of contribution is anticipated from windfall sites? What is the justification for including windfall delivery in the overall supply?
- d) What are the ‘broad locations’ referred to? What is the justification for their inclusion in the supply?

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 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 account of any shortfall (under-delivery in the plan period ie from 2011)?
- d) Any shortfall should be dealt with either in the first five years of the Plan – this is the Sedgefield 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 National Planning Policy 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?

The Council has now produced an update to the five year requirement and supply calculation. This has been published and is available in the examination library and on the examination webpage.

Discussion at the hearings will be held on the basis of this update.

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?

COMMENTS ON QUESTIONS

4.1.

There is a shortfall in the delivery of houses resulting in the NHDC not having a 5 year h/l supply of houses. It is unlikely that the 5 year h/l supply can be delivered in the immediate future

4.2.

The minimum projection does not cater for the migration of population not just from Luton and Stevenage (and these figures need to be reviewed taking into account the future expansion of work practices in these towns) but also the potential to attract people working in London (especially the Kings Cross / St Pancras District where new offices are being constructed resulting in some 3-4000 additional potential commuters). In addition the need for North Hertfordshire to promote itself as an exceptional place to live. Educational facilities with high standards and leisure facilities second to none are components of economic growth for the district

4.3.

Here we are in 2017 examining a Plan based on 2014 figures where in fact the Council should be looking towards 2021 when the next 5 year review of the Local Plan needs to take place

4.4.

North Hertfordshire Council needs to take on board a dynamic approach to create economic growth in the district. Building new homes and improving infrastructure as an asset for the future and catering for the social aspects of sustainable development.

4.5

The Plan should either instigate a buffer to accommodate this positive strategic approach for an increase in the building of new houses to cater for a dynamic economic growth in the area or better still set out a clear policy that the Plan will be reviewed every 5 years [2021, 2026, and a totally new Local Plan in 2031]. In this way the Authority can have an ongoing dialogue with active partners in the process culminating in the review in these years. It also will be able to maintain its 5 year h/l supply of houses

If the policies are in place the expansion of the economic and social strategy will follow.

Environmental policies will also be a part of that strategy to further make the area attractive to live and do business.

4.5

- Windfall house building should not be included in the Plan

- Houses being built of less than 5 on a site should not be included in the Plan

-. There is clearly a backlog of under development of new houses for North Hertfordshire. In order to satisfy this situation this backlog should be accomplished within the first 5 years of the Plan using the Sedgefield criteria. The Authority should not defer action to a later time

-. There is a strong argument for adding a 20% buffer to all the predicted housing targets since North Hertfordshire has a bad record of delivering its quota of houses. This would be on top of the revised housing quota taking into account issues raised in this response