



WHITE PEAK Planning

# Matter 21 Written Statement: the Objective assessment of housing need ('the OAN') and the housing requirement

North Hertfordshire Local Plan Examination:  
Further Matters, Issues and Questions

On behalf of Bloor Homes

September 2020

Ref: 2012.002

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**Bloor Homes**

**North Hertfordshire Local Plan Examination Further Matters, Issues and Questions**

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**September 2020**

**Ref: 2012.002**

**Authorised for and on behalf of White Peak Planning Ltd.**

A handwritten signature in black ink, appearing to read 'Rob White', written over a horizontal line.

**Rob White  
Director**

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The logo for White Peak Planning, featuring a stylized 'W' made of three overlapping shapes in purple and grey, with the text 'WHITE PEAK Planning' below it.

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## 1.0 Introduction

### 1.1 Background

- 1.1.1 This Statement has been prepared by White Peak Planning on behalf of Bloor Homes.
- 1.1.2 Bloor Homes control a substantial tract of land within the area identified in the Local Plan submission version as the Land East of Luton allocation (site references: EL1 and EL2).
- 1.1.3 Bloor Homes has submitted an outline planning application to North Hertfordshire District Council (NHDC) for the majority of sites EL1 and EL2 (planning application reference: 17/00830/1) for up to 1,400 new homes, as well as a local centre, primary school and all-through school.
- 1.1.4 The application documents can be viewed on the Council's website via the following link: <https://pa2.north-herts.gov.uk/online-applications/>.
- 1.1.5 Further information in relation to the deliverability of sites EL1 and EL2 was provided in the joint SoCG between NHDC, Bloor Homes and The Crown Estate at ED28, the Matter 10 Hearing Statements (Jan 2018) and the Matter 22 Hearing Statement (February 2020) submitted by Savills on behalf of The Crown Estate and Bloor Homes.

## 2.0 Responses to Inspector's Further Matters, Issues and Questions

### 2.1 21.1 - Has the revised OAN figure for North Hertfordshire been arrived at correctly/on a robust basis and are the key assumptions made reasonable?

2.1.1 We concur with the points raised in the new Matter 21 Hearing Statement submitted by Savills on behalf of the Crown Estate.

### 2.2 21.2 and 21.3 - In the light of this, has there been a 'meaningful change in the housing situation' in North Hertfordshire, should the Local Plan's housing requirement be modified to reflect it?

2.2.1 We concur with the points raised in the new Matter 21 Hearing Statement submitted by Savills on behalf of the Crown Estate.

### 2.3 21.4 - Has the indicative OAN figure for Luton been arrived at correctly/on a robust basis and are the key assumptions made reasonable?

2.3.1 We concur with the points raised in the new Matter 21 Hearing Statement submitted by Savills on behalf of the Crown Estate.

### 2.4 21.5 - In the light of this, has there been a 'meaningful change in the housing situation' in Luton?

2.4.1 We concur with the points raised in the new Matter 21 Hearing Statement submitted by Savills on behalf of The Crown Estate.

2.4.2 There has been no meaningful change in the housing situation in Luton and that remains the case even if the indicative OAN produced by NHDC were to be adopted. A potential decrease of 6% against the OAN underpinning the Luton Local Plan is within a reasonable margin of error and does not constitute a meaningful change in the housing situation in Luton.

2.4.3 As specified in the Statement of Common Ground (SoCG) between North Hertfordshire, Central Bedfordshire and Luton Councils in Appendix 2 of ED191A, we do not consider it necessary for Luton's OAN to be formally re-assessed as a result of the publication of the 2018-based household projections.

## 2.5 21.6 - If there has been a 'meaningful change in the housing situation' in Luton, should the East of Luton sites be modified or deleted from the Local Plan?

2.5.1 Although we do not consider there to be a meaningful change in Luton's overall housing need as a result of the 2018-based population projections, we do consider there to be issues regarding Luton's housing delivery, forecasted supply and ability to meet their identified need, which should be taken into account when considering the East of Luton sites.

2.5.2 These issues are set out in the following sections, along with our conclusions in relation to the East of Luton sites.

### *Housing Target*

2.5.3 The Luton Local Plan covers the period 2011 to 2031. It was independently examined and subsequently adopted by Luton Borough Council (LBC) in November 2017.

2.5.4 Para. 6.1 of the Luton Local Plan identifies a need for 17,800 new dwellings over the plan period, but acknowledges that there is limited developable land available for new homes within Luton's administrative area.

2.5.5 Policy LLP2 includes a housing target of 8,500 dwellings within Luton, leaving an unmet need of 9,300 dwellings to be delivered within neighbouring authority areas.

### *Housing Mix*

2.5.6 Table 6.1 of the Luton Local Plan includes the overall housing need for Luton and percentage dwelling mix of market (59.5%) and affordable housing (40.5%).

2.5.7 Table 6.1 has been re-created below with the pro-rata values added for each type of housing based on the housing target of 8,500 dwellings to be delivered within Luton's boundary.

<b>Table 6.1 - Dwelling Mix 2011 - 2031</b>			
	<b>Dwellings</b>	<b>%</b>	<b>Within Luton</b>
Market Housing	10,600	59.5	5,062
Affordable Housing	7,200	40.5	3,438
All Dwellings	17,800	100	8,500
Annual Average	890		425

2.5.8 Tables 6.2 to 6.3 of the Luton Local Plan include the following mix and size requirements for all tenures of homes planned in the borough based on the 2015 Strategic Housing Market Assessment.

2.5.9 Tables 6.2 and 6.3 have been combined into the table below with an approximate number of dwellings for each dwelling size added to the table based on the percentage splits and the pro-rata dwelling numbers included in Table 6.1.

<b>Tables 6.2 &amp; 6.3 - Housing Mixes</b>					
	<b>Market Housing</b>	<b>Approx. dwellings in Luton</b>	<b>Affordable Housing</b>	<b>Approx. dwellings in Luton</b>	<b>Approx. total dwellings in Luton</b>
1-bed flat	1.5%	76	3.6%	124	<b>200</b>
2-bed flat	1.0%	51	17.2%	591	<b>642</b>
2-bed house	13.1%	663	15.8%	543	<b>1,206</b>
3-bed house	69.6%	3,523	49.0%	1,685	<b>5,208</b>
4+ bed house	14.4%	729	14.9%	512	<b>1,241</b>
					<b>8,497</b>

## *Affordable Housing*

- 2.5.10 Although Table 6.1 of the Luton Local Plan identifies a need for 40% affordable housing, para 6.13 of the Luton Local Plan refers to viability evidence prepared during the preparation of the plan which found that a requirement for 20% on-site affordable housing provision will be viable for the majority of sites over the plan period. There is large difference between the identified need for affordable housing and the level of affordable housing which the plan is able to provide, the affordable housing target in Luton having been determined by financial constraints and not determined by need.
- 2.5.11 Policy LLP16 of the Luton Local Plan states that Luton has an affordable housing need for 7,200 dwellings, but that only up to 1,700 could be delivered within Luton through the implementation of the policy.
- 2.5.12 Part A of LLP16 requires provision of 20% affordable housing on developments that deliver a net gain of at least 11 dwellings and on sites of 10 dwellings or less that have a combined floorspace of more than 1,000 sqm.
- 2.5.13 The 40% affordable housing need set out in the Local Plan is substantiated by the latest SHMA (January 2018). Table 98 of the SHMA (page 119, Central Bedfordshire & Luton Strategic Housing Market Assessment, 2018) shows the mix of OAN for market and affordable housing. The overall affordable housing requirement is shown as 45%, which is 5% higher than LBC's Local Plan figure and 25% higher than the Policy LLP16 requirement.

## *Housing Delivery*

### Luton Strategic Housing Land Availability Assessment 2019 (ED189)

- 2.5.14 Table 2.5 of LBC's latest Strategic Housing Land Availability Assessment (SHLAA), published in November 2019, includes the following breakdown of net dwellings delivered from April 2011 to March 2019 by number of bedrooms:
- 1-bed: 2,307 (53%)
  - 2-bed: 1,285 (30%)
  - 3-bed: 383 (9%)
  - 4+ bed: 402 (9%)
  - Unknown: -52 (-1%)

- 2.5.15 It is clear from the above figures that this delivery is not meeting Luton's identified need, as set out in Tables 6.2 and 6.3 of the Luton Local Plan, due to the over-provision of smaller one and two-bedroom dwellings, rather than three and four-bedroom dwellings. In fact, the delivery is almost exactly in inverse of the need.
- 2.5.16 Section 2 of the 2019 SHLAA notes that between 2016 and 2018, a high proportion of delivery was the result of the conversion of offices to residential accommodation under permitted development rights and the provision of student accommodation. It should be noted that the conversion of office to residential use through permitted development avoids the requirement for the provision of affordable housing.

Luton Authority Monitoring Report 2017/18 (Appendix 1)

- 2.5.17 LBC published its Authority Monitoring Report (AMR) for 2017/18 in May 2019. At the time of writing, this is the latest version of the report.
- 2.5.18 Page 10 of the AMR acknowledges that housing delivery within Luton is not helping to meet the identified needs set out in the Local Plan. The AMR states:

*'Table 8 shows that a total of 395 new dwellings have been delivered [from 2015/16 to 2017/18] through the permitted development rights. 72% of these are one-bed homes, which are not helping to meet identified needs. Data is not available before 2015/16.'* [emphasis added]

Burr Street, Luton Appeal Decision (APP/B0230/W/19/3237601) (Appendix 2)

- 2.5.19 On 30<sup>th</sup> June 2020, appeal APP/B0230/W/19/3237601 for the following development was dismissed and planning permission refused:

*'The demolition of existing buildings and redevelopment to provide 179 residential units (88 x 1-bed, 66 x 2-bed, 24 x 3-bed and 1 x 4-bed); undercroft car parking; cycle parking; refuse; plant and associated landscaping.'*

- 2.5.20 In Paragraphs 18-22 of the appeal decision (see *Appendix 1*), the Inspector acknowledges that there has been over-delivery of 1-bed dwellings and under-delivery of 3-bed dwellings within Luton through the plan period and that the proposed development would not help to meet Luton's housing need.

Delivery within Central Bedfordshire

- 2.5.21 The Central Bedfordshire Local Plan is currently subject to examination and includes for the delivery of 7,350 dwellings towards Luton's unmet housing need of 9,300 dwellings, with the assumption that 1,950 dwellings are to be delivered within North Hertfordshire.
- 2.5.22 Central Bedfordshire Council have responded to their Local Plan Inspector (see *Appendix 3*) confirming that they do not consider there to be a meaningful change in Luton's housing situation and have not proposed amendments to their Local Plan in respect of Luton's housing target.



## *Housing Supply*

### 2019 Luton SHLAA Housing Trajectory

- 2.5.23 Table 5.2 of the 2019 Luton SHLAA contains 119 sites of over four dwellings in size that have been identified to meet the Borough's housing needs over the remainder of the plan period from April 2019 to March 2031.
- 2.5.24 Where possible, the planning applications, permissions or masterplans relating to each of the sites has been reviewed and information obtained in relation to dwelling numbers and mix.
- 2.5.25 Of the 119 sites:
- 79 have full or outline planning permission
  - 1 has received planning permission for non-residential use
  - 2 have a live planning application
  - 13 have no application but are part of the High Town Masterplan
  - 3 have had an application refused
  - 21 have no details available on housing mix (or could not be identified)
- 2.5.26 Of the 6,399 dwellings that LBC forecast to be delivered from the 119 sites between April 2019 and March 2031 in Table 5.2 of the SHLAA, data was available for 4,926 dwellings from 98 sites.
- 2.5.27 For schemes of 11 dwellings and above where information on the split of market and affordable housing was not available, the level of affordable housing provision has been assumed to be 20% of the total, in accordance with Policy LLP16. For these sites, the mixes of market and affordable housing have been assumed to be the same and are based on the total housing mix set out in the application documents.
- 2.5.28 The table below shows the total number of dwellings either permitted, with a live application, or subject to a masterplan where details of housing mix were available. Based on the available information and our assumptions on affordable housing provision, the assessment includes a breakdown of 4,338 forecasted market dwellings and 588 (9.2%) forecasted affordable dwellings based on number of bedrooms and compares these to the Local Plan requirements.

<b>Appraisal of Forecasted Residential Developments (April 2019 to March 2031)</b>						
	<b>Market Housing Local Plan Housing Mix (Table 6.2)</b>	<b>No. of Forecasted Market Dwellings Appraised</b>	<b>% of Forecasted Market Dwellings Appraised</b>	<b>Affordable Housing Local Plan Housing Mix (Table 6.3)</b>	<b>No. of Forecasted Affordable Dwellings Appraised</b>	<b>% of Forecasted Affordable Housing Appraised</b>
1-bedroom flat	1.5%	2,384	55%	3.6%	279	47%
2-bedroom flat / house	14.1%	1,436	33%	33%	237	40%
3-bedroom house	69.6%	324	7%	49%	49	8%
4+ bedroom house	14.4%	194	4%	14.9%	23	4%
<b>Total</b>	<b>100%</b>	<b>4,338</b>	<b>100%</b>	<b>100%</b>	<b>588</b>	<b>100%</b>

**Note:** Table 5.2 of the SHLAA includes schemes where some dwellings have already been delivered. As this assessment applies to the forecasted dwellings from Apr 2019 to Mar 2031, the dwellings already delivered are excluded to avoid double-counting. As the sizes of the dwellings already delivered are unknown, the housing mixes shown in the application have been adjusted using a pro rata approach to equate to the number of forecasted dwellings only.

- 2.5.29 The appraisal of forecasted sites demonstrates that the forecasted dwellings, the majority of which have been consented, will not meet Luton's actual identified housing need, as outlined in Tables 6.2 and 6.3 of the Luton Local Plan. The majority of the permitted schemes comprise 1-bedroom and 2-bedroom flats, rather than 3-bedroom and 4-bedroom family houses, which is the inverse of Luton's housing need.
- 2.5.30 Tables 6.2 and 6.3 of the Luton Local Plan show that LBC requires 69.6% of their market housing to comprise 3-bedroom houses, however the above table shows that only 7% of the forecasted dwellings will be 3-bedroom, with 88% of the dwellings being 1-bedroom or 2-bedroom.
- 2.5.31 For affordable housing, and allowing for assumptions, there was a similar theme in that the majority of dwellings were either 1-bedroom or 2-bedroom. Only 8% of the affordable dwellings are 3-bedroom, despite the Local Plan stating that 49% of affordable dwellings should be 3-bedroom.

#### Additional Sites

- 2.5.32 A review has also been undertaken of sites not included in the 2019 SHLAA, but that have either been granted planning permission by LBC, or have a resolution to grant, from April 2019 to August 2020.
- 2.5.33 There were 42 sites totalling 2,308 dwellings. The table below shows the housing mixes for both market and affordable housing.

<b>Appraisal of Additional Residential Developments (April 2019 to August 2020)</b>						
	<b>Market Housing Local Plan Housing Mix (Table 6.2)</b>	<b>No. of Market Dwellings Appraised</b>	<b>% of Market Dwellings Appraised</b>	<b>Affordable Housing Local Plan Housing Mix (Table 6.3)</b>	<b>No. of Affordable Dwellings Appraised</b>	<b>% of Affordable Housing Appraised</b>
1-bedroom flat	1.5%	740	38%	3.6%	136	38%
2-bedroom flat / house	14.1%	765	39%	33%	142	39%
3-bedroom house	69.6%	380	20%	49%	70	19%
4+ bedroom house	14.4%	60	3%	14.9%	14	4%
<b>Total</b>	<b>100%</b>	<b>1,945</b>	<b>100%</b>	<b>100%</b>	<b>362</b>	<b>100%</b>

2.5.34 The review of additional sites also demonstrates that the mix of housing being delivered within Luton through additional permitted schemes, or schemes with a resolution to grant planning permission, will not deliver the types of housing required and is the inverse of Luton's housing need.

#### East of Luton Sites

2.5.35 The table below sets out the indicative dwelling mix for the East of Luton sites, as provided by Bloor Homes. This covers the 1,950 dwellings being delivered to contribute to Luton's unmet housing need.

<b>Indicative Dwelling Mix, East of Luton Sites (Source: Bloor Homes)</b>						
	<b>Market Housing Dwellings</b>	<b>% of Total Market Dwellings</b>	<b>Affordable Housing Dwellings</b>	<b>% of Total Affordable Dwellings</b>	<b>Total Dwellings</b>	<b>% of Total Dwellings</b>
1-bed flat	0	0.0	128	16.4	128	6.6
2-bed flat	0	0.0	84	10.7	84	4.3
2-bed bungalow	28	2.4	0	0.0	28	1.4
2-bed house	248	21.2	189	24.3	437	22.4
3-bed house	393	33.6	320	41.1	713	36.6
4+ bed house	501	42.9	59	7.5	560	28.7
<b>Total</b>	<b>1,170</b>	<b>100</b>	<b>780</b>	<b>100</b>	<b>1,950</b>	<b>100</b>

<sup>1</sup>The dwelling number for the East of Luton Sites of 1,950 is for the portion of the sites which would meet Luton's unmet needs and not the 150 units of the proportion allocation which would meet North Hertfordshire's housing needs.

2.5.36 The East of Luton sites will deliver 1,170 market dwellings and 780 affordable dwellings. This equates to 11% of Luton's total housing need identified in Table 6.1 of the Luton Local Plan and 21% of Luton's unmet housing need of 9,300 dwellings.

- 2.5.37 In terms of market housing, over three quarters of the market housing (894 units) will be 3-bedroom and 4+ bedroom homes. This is similar to the proportion of family market housing identified in Table 6.2 of the Luton Local Plan.
- 2.5.38 40% of the dwellings delivered through the East of Luton sites will be affordable, in comparison with the 20% required within Luton through the Luton Local Plan. The total of 780 affordable homes to be provided by the East of Luton sites will deliver 11% of the 7,200 affordable housing need identified in Table 6.1 of the Luton Local Plan.

### Conclusion

- 2.5.39 The PPG on Housing and economic development needs assessments in Para: 003 Reference ID:2a-003-20140306 makes it clear that housing need does not solely relate to the overall housing target and that the mix of housing and range of tenures are equally as important:

*'Need for housing in the context of the guidance refers to the scale and mix of housing and the range of tenures that is likely to be needed in the housing market area over the plan period – and should cater for the housing demand of the area and identify the scale of housing supply necessary to meet that demand.'*

*'Need for all land uses should address both the total number of homes or quantity of economic development floorspace needed based on quantitative assessments, but also on an understanding of the qualitative requirements of each market segment.'*

- 2.5.40 The review of Luton's housing delivery over the plan period has demonstrated that there is an over-provision of 1-bedroom and 2-bedroom dwellings, which will not effectively contribute to meeting Luton's OAN, which primarily comprises 3+bedroom dwellings. The mix of housing being delivered is almost the inverse of Luton's housing need.
- 2.5.41 In addition, due to viability constraints, new development in Luton is only required to provide 20% affordable housing, rather than the 40% need identified in the Local Plan.
- 2.5.42 The East of Luton sites will deliver 11% of Luton's total housing need and 21% of their unmet need. In comparison to housing delivery within Luton, over three quarters of the market housing to be delivered through the East of Luton sites will be 3+bedrooms and 40% of the total housing will be affordable.
- 2.5.43 These findings highlight that the East of Luton sites are critical to the sound and sustainable delivery of Luton's housing need for the following reasons:
- Luton has a significant unmet housing need of 9,300 dwellings.
  - Even if the NHDC indicative OAN were to be adopted – which it should not for the reasons set out by The Crown Estate – there would remain a significant unmet housing need of 8,200 dwellings.
  - The allocation of the East of Luton sites within NHDC to meet 1,950 of Luton's unmet housing need would contribute 21% of this unmet need (or 24% on the basis of the indicative OAN provided by NHDC).

- 
- Any reduction from the agreed figure of 1,950 in relation to Luton's unmet housing need would result in Luton's housing need not being met.
  - Importantly, housing mix and tenure also form an integral part of the need. Luton has not delivered the right types of housing within its administrative area to date in order to meet its identified need and is not forecast to do so over the remainder of the plan period.
  - Overall, the East of Luton sites will make a significant contribution to Luton's unmet housing need within the Luton Housing Market Area through the delivery of family housing, including 40% affordable housing.

# Appendix 1

**Authority Monitoring Report  
2017/18**

May 2019

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## 1. Introduction

This authority monitoring report (AMR) describes plan-making and development activity in Luton between 1 April 2017 and 31 March 2018. During this period, the Luton Local Plan 2011-2031 was adopted (7 November 2017), replacing the previous Luton Local Plan 2001-2011.

While the focus of this report is the 2017/18 financial year, tables have also been included that summarise trends and total change since April 2011 (the start date of the current local plan).

### Purpose of this Report

National planning practice guidance provides the following role of AMRs:

*Local planning authorities must publish information at least annually that shows progress with local plan preparation, reports any activity relating to the duty to cooperate, any information collected which relates to indicators in the plan, and any policies which are not being implemented. Local planning authorities can also use the Authority Monitoring Report to provide up-to-date information on the implementation of any neighbourhood plans that have been brought into force, and monitor the provision of housing for older and disabled people. It can help inform if there is a need to undertake a partial or full update of the local plan, when carrying out a review at least every 5 years from the adoption date.*

*This information should be made available publicly. Regulation 34 of the Town and Country Planning (Local Planning) (England) Regulations 2012 sets out what information the reports must contain. The reports can include other information, for example, the reports can draw on Infrastructure Funding Statements to highlight the contributions made by development, including section 106 planning obligations, Community Infrastructure Levy and New Homes Bonus payments, and how these have been used. (Paragraph: 073 Reference ID: 61-073-20190315)*

## 2. Plan Progress

### Local Development Scheme

The local development scheme (LDS) sets-out the scope and timings of plan-making. The most recent LDS is dated 24 January 2017. The following paragraphs identify the planning documents set-out in the LDS, the stage they have reached in their preparation and an explanation for any delays.

### Luton Local Plan 2011 – 2031

The Secretary of State appointed a planning inspector to undertake the examination of the plan, which took place between July 2016 and January 2017. Following examination, a consultation on proposed modifications was undertaken between April and May 2017. This stage was not planned for in the LDS and resulted in a delay to the identified timings. Considering the responses to this consultation, the inspector issued their report in August 2017. The report states that the plan provides an appropriate basis for the planning of the borough, subject to a number of modifications being made to it.

The local plan was adopted on 7 November 2017 with the required modifications.

**Table 1: Progress against the LDS (Luton Local Plan 2011-2031)**

<b>Stage</b>	<b>LDS 2017 timings</b>	<b>Actual timings</b>
Evidence gathering and preparation	Completed	Completed June 2014
Regulation 18 consultation	Completed	June - August 2014
Consideration of consultation responses	Completed	September - November 2014
Evidence gathering and preparation	To September 2015	December 2014 - September 2015
Regulation 19 Consultation	October - November 2015	October - December 2015
Consideration of consultation responses	December 2015 - February 2016	January - March 2016
Submission	April 2016	April 2016
Examination	July 2016 - January 2017	July 2016 - January 2017
Adoption	July 2017	November 2017

## Gypsy & Traveller Local Plan Part 2 2011 – 2031

As of March 2018, the initial evidence gathering and preparation stage had not completed in-line with the timings set-out in the LDS. This delay was due to the Government changing the definitions of travelling people, which required a review of previous needs assessments.

The next AMR will report on progress since March 2018.

**Table 2: Progress against the LDS (Gypsy and Traveller Local Plan Part 2)**

Stage	LDS 2017 timings	Actual timings
Evidence gathering and preparation	April 2016 - March 2017	Completed May 2017
Regulation 18 consultation	April - May 2017	June - August 2017
Consideration of consultation responses	June - August 2017	Ongoing
Regulation 19 Consultation	September - October 2017	N/A
Consideration of consultation responses	November 2017 - January 2018	N/A
Submission	March 2018	N/A
Examination	June 2018	N/A
Adoption	December 2018	N/A

## Neighbourhood Development Orders and Plans

No neighbourhood development plans or orders have been made.

## Duty to Co-operate

The Localism Act 2011 introduced the duty to co-operate to maximise the effectiveness of development plans. This duty requires local planning authorities to co-operate with other local planning authorities, county councils and certain organisations as defined by the Town and Country Planning (Local Planning (England) Regulations 2012) (as amended). The requirement came into force on 15th November 2011. The National Planning Policy Framework (NPPF) (2019) explains that public bodies have a have a duty to co-operate on strategic planning issues that cross administrative boundaries.

In November 2017, we adopted the Luton Local Plan 2011-2031, which effectively ended duty-to-cooperate matters on the production of our development plan. One of the final pieces of co-operation for our plan was the publication of a joint growth options study that was signed off by Luton, Aylesbury Vale, Central Bedfordshire and North Hertfordshire councils in June 2017.

The majority of activities between April 2017 and March 2018 relate to the plans being produced by other authorities. The following text outlines the actions taken.

### Bedford Borough Council

Strategic matters include Luton's unmet housing needs, balanced employment provision and east-west transport links.

- May 2017: Duty-to-cooperate meeting between both authorities
- June 2017: Response issued to the Bedford borough local plan consultation
- February 2018: Duty-to-cooperate meeting between both authorities

### Central Bedfordshire Council

Strategic matters include Luton's unmet housing needs (especially affordable tenures), balanced employment provision, location of new development and traffic congestion.

- April 2017: Joint Green Belt study signed off by Central Bedfordshire and Luton
- May 2017: Duty-to-cooperate meeting between both authorities
- May 2017: Comments submitted on the Central Bedfordshire draft strategic housing market assessment
- August 2017: Duty-to-cooperate meeting between both authorities
- August 2017: Response issued to Central Bedfordshire local plan consultation
- December 2017: Duty-to-cooperate meeting between both authorities
- February 2018: Response issued to Central Bedfordshire local plan examination

### Dacorum, Hertsmere, Three Rivers and Watford councils

These authorities are more remote from Luton and there are no urgent, strategic cross-boundary matters to be addressed.

- December 2017: Information supplied for their joint retail and leisure study

### London

We are concerned about migration from London and its ability to meet its own needs. These concerns are shared by other authorities around London.

- December 2017: Developing the East of England Local Government Association's response to the Mayor of London's Housing Strategy

### Milton Keynes Council

Milton Keynes is more remote from Luton and there are no urgent, strategic cross-boundary matters to be addressed.

- June 2017: Response issued to their local plan consultation.

### North Hertfordshire District Council

Strategic matters include Luton's unmet housing needs (including affordable housing), balanced employment provision and traffic congestion.

- May 2017: Discussion over proposed modifications to the Luton local plan.
- October 2017: Statement of common ground agreed between both authorities.
- November 2017 to February 2018: Attendance at North Hertfordshire's local plan examination.

### Watford Borough Council

Watford is more remote from Luton and there are no urgent, strategic cross-boundary matters to be addressed.

- September 2017: Information supplied to inform their assessment of accommodation needs for travellers.

### Welwyn Hatfield Borough Council

Welwyn Hatfield is more remote from Luton and there are no urgent, strategic cross-boundary matters to be addressed.

- May 2017: Statement issued of our position on housing and employment matters.

In addition to the development of local plans, we also cooperate on the production of planning policy specifically for minerals and waste development. Relevant activities and cooperation with duty-to-cooperate partners is undertaken by Central Bedfordshire Council on behalf of the three Bedfordshire authorities.

### **Community Infrastructure Levy**

It is not our intention to implement the levy until market conditions and development viability have improved.

### 3. Housing

More data, including lists of planning applications and their build status can be found within the Strategic Housing Land Availability Assessment, December 2018. That document and other related information can be found in the 'housing' section of our [local plan evidence web page](#).

#### The Housing Target for Luton

The Town and Country Planning (Local Planning) (England) Regulations 2012 requires us to declare performance against any housing target within our current local plan.

The Luton Local Plan 2001 - 2011 contained a target that arose from the Structure Plan 2011. This required that 6,200 dwellings should be completed between 1991 and 2011 within Luton.

**Table 3: Housing Target 1991-2011**

Target	Achieved	Surplus over 20 year target
6,200	7,014	814

The 20-year target was comfortably achieved. With the end of the plan period, and with a surplus having been delivered against it there is little reason to continue to look to this target which was based on old population forecasts.

The Luton Local Plan 2011-2031 provides a new target of 8,500 new homes across its 20-year period. This equates to an average of 425 homes per year. The table below shows that rates of development have exceeded that new target.

**Table 4: Housing Target 2011-2031**

Year	Net gain in homes	Cumulative gain	Cumulative annualised plan target
2011/12	490	490	425
2012/13	351	841	850
2013/14	147	988	1,275
2014/15	415	1,403	1,700
2015/16	624	2,027	2,125
2016/17	798	2,825	2,550
2017/18	873	3,698	2,975

## Affordable Housing

The Luton Local Plan 2001-2011 required 50% affordable housing from sites delivering 15+ dwellings or on land greater than half a hectare. The Luton Local Plan 2011-2031 requires 20% affordable housing from developments that deliver a net gain of at least 11 dwellings or have a combined floorspace of more than 1,000sq.m.

134 homes were provided as affordable tenures in 2017/18. This represents 15% of total housing delivery.

**Table 5: Affordable housing delivery since 2011/12**

Year	Net housing gain	Gross affordable housing gain	% of net housing gain
2011/12	490	125	26
2012/13	351	131	37
2013/14	147	0	0
2014/15	415	14	3
2015/16	624	226	36
2016/17	798	127	16
2017/18	873	134	15
<i>Total</i>	<i>3,698</i>	<i>757</i>	<i>20</i>

Table 5 shows that 20% of net housing gain has been delivered as affordable tenures since 2011/12 and that rates of delivery vary significantly between years. It should be noted that net housing gain includes developments that are too small to be liable to provide affordable housing. The actual percentage of affordable housing delivered from sites above the policy threshold will therefore be greater than reported in the table above. Considering this, rates of 15% or greater indicate that current policies are being met.

## Student Accommodation

During 2017/18, there was a net gain of 126 bedrooms built for student accommodation. These were all delivered at one site at Spring Place/ Dumfries Street.

There is extant consent for the gain of another 233 rooms. 230 of these are due to come from development at 1-11 Cumberland Road, while the remaining 3 are from additional development at Spring Place/ Dumfries Street.

There is extant consent for the loss of 153 rooms at the former university accommodation site on Eaton Green Road.

**Table 6: Student accommodation delivery since 2011/12**

Year	Net bedroom gain
2011/12	580
2012/13	74
2013/14	62
2014/15	147
2015/16 to 2016/17	528
2017/18	126
<i>Total</i>	<i>1,517</i>

Table 6 shows that there have been net gains every year in the number of bedrooms for students. There is no clear reason for this because there is no significant expansion at the local university.

## Residential Care Homes

There was a gain of 3 rooms through the conversion of a dwelling to residential care home on Oakley Road.

There was a loss of 14 rooms as the following facilities converted to houses in multiple occupation:

- 77-79 Marsh Road (7 rooms)
- 1 Western Road (7 rooms)

Extant permission exists for a gain of 35 rooms and a loss of 31 rooms.

**Table 7: Residential care home accommodation since 2011/12**

Year	Net bedroom gain
2011/12	39
2012/13	0
2013/14	0
2014/15	-64
2015/16 to 2016/17	-103
2017/18	-11
<i>Total</i>	<i>-139</i>

Table 7 shows that there has been an overall loss in the number of bedrooms within residential care homes. This reflects the current approach where more people are expected and supported to live independently, rather than communally.

## Permitted Development/ Prior Approvals

In recent years, the Government has extended the range of permitted development rights in order to increase the supply of new homes. These include conversions from retail and employment uses to housing and the applications are subject to a process of prior approval where a limited number of concerns can be considered.

During 2017/18, this type of development resulted in a net gain of 257 dwellings. 210 of these were 1-bed units, 44 were 2-bed units and 3 were 3-bed units.

A further 314 dwellings were under construction, while extant permissions for a further 293 had yet to commence. 537 of these are for 1-bed units, 65 are 2-bed homes and 3 are 3-bed homes and 2 are 4-bed homes.

**Table 8: Dwellings from permitted development since 2011/12**

Year	Net bedroom gain	1 bedroom	2 bedrooms	3 bedrooms	4+ bedrooms
2011/12	/				
2012/13	/				
2013/14	/				
2014/15	/				
2015/16 to 2016/17	138	76	62	0	0
2017/18	257	210	44	3	0
<i>Total</i>	<i>395</i>	<i>286</i>	<i>106</i>	<i>3</i>	<i>0</i>

Table 8 shows that a total of 395 new dwellings have been delivered through the permitted development rights. 72% of these are one-bed homes, which are not helping to meet identified needs. Data is not available before 2015/16.



## 4. Employment

The gain or loss of employment land and floorspace is outlined below and given in both gross and net areas. The figure for land is inclusive of the area of any buildings upon it. The figure for floorspace generally covers enclosed space within a development, usually within a traditional building space (a covered yard would not necessarily count). Multiple storeys are recorded.

**Table 9: Employment land gained/lost in hectares 2017/18**

Use class	Gross gain	Gross loss	Net change
B1a	0	-1.6413	-1.6413
B1b	0	0	0
B1c	0	-0.9438	-0.9438
<i>Sub Total B1</i>	<i>0</i>	<i>-2.5851</i>	<i>-2.5851</i>
B2	0.1237	-0.0975	0.0262
B8	0	-0.0902	-0.0902
<i>Total</i>	<i>0.1237</i>	<i>-2.7728</i>	<i>-2.6491</i>

**Table 10: Employment floorspace gained/lost in square metres 2017/18**

Use class	Gross gain	Gross loss	Net change
B1a	3,138	-13,874	-10,736
B1b	0	0	0
B1c	0	-4,481	-4,481
<i>Sub Total B1</i>	<i>3,138</i>	<i>-18,355</i>	<i>-15,217</i>
B2	1,400	-3,086	-1,687
B8	483	-1,466	-983
<i>Total</i>	<i>5,021</i>	<i>-22,908</i>	<i>-17,887</i>

**Table 11: Employment land change since 2011/12**

Use class	2011/12	2012/13	2013/14	2014/15	2015/16 to 2016/17	2017/18	Total
B1a	-0.2196	-0.06	-0.061	-0.61	-1.5545	-1.6413	-4.1464
B1b	0	0	0	0	0	0	0
B1c	-0.1334	-0.2674	-1.15	-0.43	-6.2941	-0.9438	-9.2187
<i>Sub-total B1</i>	<i>-0.353</i>	<i>-0.3274</i>	<i>-1.211</i>	<i>-1.04</i>	<i>-7.8486</i>	<i>-2.5851</i>	<i>-13.3651</i>
B2	6.073	-1.9168	0.66	-1.29	-17.6989	0.0262	-14.1465
B8	-4.0589	0.35	0.07	-0.37	-0.2429	-0.0902	-4.342

**Table 12: Employment floorspace change since 2011/12**

Use class	2011/12	2012/13	2013/14	2014/15	2015/16 to 2016/17	2017/18	Total
B1a	-5,195	1,471	-3,146	-13,089	-17,617	-10,736	-48,312
B1b	-400	0	0	0	1,426	0	1,026
B1c	-1,341	-645	-6,493	-2,460	-29,324	-4,481	-44,744
<i>Sub-total B1</i>	<i>-6,396</i>	<i>826</i>	<i>-9,639</i>	<i>-15,549</i>	<i>-45,515</i>	<i>-15,217</i>	<i>-91,490</i>
B2	16,819	-7,411	2,626	-4,971	-20,403	-1,687	-15,027
B8	-14,166	843	-6,640	-1,973	-4,926	-983	-27,845

## Offices (B1a)

The highest loss of employment uses was seen in office accommodation. The highest losses of floorspace were witnessed at the following sites:

- Regent Court (-6,820sq.m.)
- Napier House (-1,194sq.m.)
- Arndale House (-1,189sq.m.)

The greatest gain (1,190sq.m.) was at 29-35 Bolton Road, where a certificate of lawfulness of existing use was issued. 11,023sq.m. was lost through the permitted development to residential uses.

### Analysis:

The provision of new office floorspace lags considerably behind loss. The granting of permitted development rights allowing the conversion of offices to residential use took effect from 29 May 2013. The effect of this has been notable within Luton, especially over the time period covered by this report. The Government intended this right to help provide alternative uses for old and disused office stock that was no longer suitable for modern use. It is notable that some minor offices are being converted in this way however it is equally notable that office stock in good condition has also been lost.

Since 2011/12, 48,312sq.m. of office floorspace has been lost, with only one year seeing a net gain. This appears contrary to the local plan, which seeks to protect existing employment land until new provision has been made at strategic sites.

## Research and Development (B1b)

There were no gains or losses in this use class.

### Analysis:

There has been no significant change in B1(b) provision since 2011/12.

## Light Industry (B1c)

The highest loss of floorspace was witnessed at 20 Charles Street (-3,272sq.m.)

There were no gains in this use class.

### Analysis:

The re-development of light industrial units at Charles Street was expected and broadly in-line with the expectations of the High Town Masterplan.

Since 2011/12, 44,744sq.m. of light industrial floorspace has been lost. This appears contrary to the local plan, which seeks to protect existing employment land until new provision has been made at strategic sites.

## General Industry (B2)

The highest loss of floorspace was recorded at 29-35 Bolton Road (1,990sq.m. changing to office use). This site is allocated by the local plan as designated employment land (category B).

The greatest gain was recorded at Unit 2, North Luton Industrial Estate (604sq.m.)

Many losses of B2 uses involve changes from vehicle repair workshops to MOT testing centres, which are sui generis.

### Analysis:

Rates of change in B2 uses are lower than in previous years.

Since 2011/12, 15,027sq.m. of general industrial floorspace has been lost. Two years have seen net gains, which indicates that new provision is being made but not to a level that would offset losses.

## Storage and Distribution (B8)

The greatest loss was recorded at 40-58 Collingdon Street (-1,000sq.m.). The premises were demolished to make way for a housing scheme. This site is allocated for residential uses in the local plan.

The greatest gain from an extension at Unit 1, The Trading Estate, Chaul End Lane (360sq.m.)

### Analysis:

The net loss in B8 land represents a reduction in recent trends.

Since 2011/12, 27,845sq.m. of general industrial floorspace has been lost. Two years have seen net gains, which indicates that new provision is being made but not to a level that would offset losses. This appears contrary to the local plan, which seeks to protect existing employment land until new provision has been made at strategic sites.

## Employment Pipeline

Table 13: Net employment land permissions as at April 2018

Use Class	Net Employment Land (ha)	Net Floorspace (sq.m.)
B1a	-0.2655	1,235
B1b	0	0
B1c	16.9759	67,843
<i>Sub Total B1</i>	<i>59.7104</i>	<i>110,175</i>
B2	-7.9943	56,267
B8	0.91941	55,830
<i>Total</i>	<i>52.63551</i>	<i>222,272</i>

Table 13 describes the forecast net change in employment land and floorspace if all schemes with extant planning permission are built-out. Note that the subtotal for B1 uses is greater than the sum of its parts. This is because it includes a gain of 43ha of land and 41,097sq.m. of floorspace relating to the development of Century Park. There is a

long-standing policy application to create this business park but there is no detail on the proposed break-down of B1 uses from the extant permission.

A total of 24,479sq.m. of B1a floorspace is due to be lost through the permitted development of offices to homes. Against these losses, the forecast net gain is driven by the potential for 28,330sq.m. of new office accommodation proposed at Napier Park.

There are no extant permissions relating to B1b uses.

The net gains in B1c uses are largely influenced by the build-out of the remaining land at Butterfield Green Technology Park (67,400sq.m. of floor space).

The pipeline for B2 uses is heavily influenced by 41,097sq.m. of new B2 floorspace expected at Century Park.

Gains in B8 use floorspace are largely driven by the future development of Century Park (41,097sq.m.) and Napier Park (20,250sq.m.). A total of 413sq.m. of B8 floorspace is due to be lost through the permitted development of warehouses to homes.

## 5. Other Development

The following information includes town centre uses, for which the National Planning Policy Framework definition has been used. The Luton Local Plan 2011-2031 defines boundaries for every centre. Main town centre uses within 300m of a frontage are defined as being on the edge of the centre.

The location of uses is relevant because national and local policies direct main town centre uses to allocated centres or their edges. Only if there are no suitable and available premises in those preferable locations can out-of-centre sites be considered.

The tables in the following pages explain which land use any floorspace was gained from or lost to. Where such a source is listed as 'extensions', this means that there was an increase (or decrease) of the same use on site (e.g. a rear extension to a shop or demolition of old structures).

**Table 14: Net change in other uses since 2011/12**

Year	A1	A2	A3	A4	A5	C1	D1	D2	SG
2011/12	/	/	/	/	/	/	21,172	6,570	/
2012/13 to 2014/15	-4,571	-2,208	3,499	-893	245	/	8,663	-473	/
2015/16 to 2016/17	1,366	-125	735	-882	708	3,025	29,742	2,479	44,912
2017/18	-2,526	194	1,772	-890	937	799	-11,253	-794	18,542
<i>Total</i>	<i>-5,731</i>	<i>-2,139</i>	<i>6,006</i>	<i>-2,665</i>	<i>1,890</i>	<i>3,824</i>	<i>48,324</i>	<i>7,782</i>	<i>63,454</i>

Table 14 summarises the total change in floorspace by use class since 2011/12. '/' indicates that monitoring data does not exist. Information from this table is discussed in more detail in this chapter.

## Shops (A1)

There was a gross floorspace gain of 1,870sq.m. and a gross loss of 4,396sq.m. This equates to a net loss of 2,526sq.m.

The main driver of new floorspace was the phase 1 redevelopment of the Marsh Farm central area (965sq.m.).

The majority of new floorspace was provided at or on the edge of allocated centres, in-line with national and local policy.

The losses to floorspace were driven by:

- Demolition of the Purley Centre (-1,174sq.m.)
- Demolition of the former Staples shop at Castle Street (-899sq.m).

It is notable that there were no new gains in Luton town centre, only losses.

Since 2011/12, 5,731sq.m. of floorspace has been lost to other uses. This implies that access to general retail (including fresh fruit and vegetables) is decreasing.

**Table 15: Gross gain in general shop floorspace 2017/18**

Number of applications	Location	Floorspace gained sq.m	Gained from	Element sq.m
2	Out of centre	508	Extensions	417
			Offices	91
3	Edge of centre	218	Extensions	34
			Offices	184
3	Neighbourhood or district centre	1,144	Light Industry	125
			Dwelling houses	965
			Sui generis	54

**Table 16: Gross loss in general shop floorspace 2017/18**

Number of applications	Location	Floorspace lost sq.m	Lost to	Element sq.m
3	Out of centre	-570	Financial/ professional service	-45
			Hot food takeaway	-58
			Dwelling houses	-467
7	Edge of centre	-854	Hot food takeaway	-502
			Dwelling houses	-352
7	Neighbourhood or district centre	-1,741	Financial/ professional service	-100
			Restaurants and cafés	-145
			Hot food takeaway	-110
			Offices	-85
			Dwelling houses	-1,174
2	Town centre	-1,232	Financial/ professional service	-899
			Restaurants and cafés	-333

## Professional and Financial Services (A2)

There was a gross floorspace gain of 967sq.m. and a gross loss of 773sq.m. This equates to a net gain of 194sq.m.

The majority of new floorspace was provided within allocated centres, in-line with national and local policy.

Although there was net gain in 2017/18, there has been a net loss of 2,139sq.m. since 2011/12. This implies that access to general retail (including fresh fruit and vegetables) is decreasing.

**Table 17: Gross gain in professional and financial services floorspace 2017/18**

Number of applications	Location	Floorspace gained sq.m	Gained from	Element sq.m
1	Out of centre	45	General shops	45
1	Edge of centre	96	Offices	96
3	Neighbourhood or district centre	332	General shops	100
			Extensions	140
			Dwelling houses	92
1	Town centre	494	General shops	494

**Table 18: Gross loss in professional and financial services floorspace 2017/18**

Number of applications	Location	Floorspace lost sq.m	Gained from	Element sq.m
1	Out of centre	-150	Dwelling houses	-150
1	Edge of centre	-48	Non-residential institution	-48
1	Neighbourhood or district centre	-57	Dwelling houses	-57
3	Town centre	-518	Hot food takeaway	-157
			Offices	-274
			Sui generis	-87

## Restaurants and Cafés (A3)

There was a gross floorspace gain of 1,900sq.m. and a gross loss of 128sq.m. This equates to a net gain of 1,772sq.m.

A high proportion of new floorspace was delivered in out-of-centre locations, which does not necessarily follow national and local policy. This was mostly due to development on car parking areas at retail parks.

Since 2011/12, there have been continuous gains in both A3 and A5 uses, indicating that access to prepared meals is increasing.

**Table 19: Gross gain in restaurant and café floorspace 2017/18**

Number of applications	Location	Floorspace gained sq.m	Gained from	Element sq.m
3	Out of centre	721	Sui generis	721
2	Edge of centre	385	Drinking establishments	155
			Sui generis	230
5	Neighbourhood and district centres	461	General shops	185
			Dwelling houses	95
			Non-residential institution	181
1	Town centre	333	General shops	333

**Table 20: Gross loss in restaurant and café floorspace 2017/18**

Number of applications	Location	Floorspace lost sq.m	Lost to	Element sq.m
1	Out of centre	-93	Hot food takeaway	-93
1	Edge of centre	-35	Dwelling houses	-35

## Drinking Establishments (A4)

Drinking establishments continue to be lost with no re-provision. This is consistent with recent trends.

The reduction in floorspace relates to the redevelopment of the Purley Tavern and The Compasses to residential uses.

**Table 21: Gross loss in drinking establishment floorspace 2017/18**

Number of applications	Location	Floorspace lost sq.m	Lost to	Element sq.m
1	Out of centre	-191	Dwelling houses	-191
1	Neighbourhood and district centre	-699	Dwelling houses	-699



## Hot Food Takeaway (A5)

There was a gross floorspace gain of 937sq.m. and no losses.

Most new floorspace was delivered within or on the edge of centres, in-line with national and local policy.

Since 2011/12, there have been continuous gains in both A3 and A5 uses, indicating that access to prepared meals is increasing.

**Table 22: Gross gain in hot food takeaway floorspace 2017/18**

Number of applications	Location	Floorspace gained sq.m	Gained from	Element sq.m
3	Out of centre	168	General shops	58
			Restaurants and cafés	93
			Extension	17
2	Edge of centre	502	General shops	502
1	Neighbourhood and district centre	110	General shops	110
1	Town centre	157	Financial/ professional service	157

## Hotels (C1)

There was a net floorspace gain of 799sq.m. and no losses.

While all of the new provision was delivered in out-of-centre locations, this is not necessarily in conflict with policy. The need for hotels in Luton is largely driven by the airport and it is reasonable that new development is located close to the origin of need.

Since 2011/12, there has been a net floorspace gain of 3,824sq.m.

**Table 23: Gross gain in hotel floorspace 2017/18**

Number of applications	Location	Floorspace gained sq.m.	Gained from	Element sq.m.
4	Out of centre	799	Extension	330
			Assembly and leisure	469

## Non-residential Institutions (D1, including schools and places of worship)

There was a gross floorspace gain of 2,850sq.m. and a gross loss of 14,103sq.m. This equates to a net loss of 11,253sq.m.

The main drivers behind the increase in floorspace are:

- Expansion of Challney High School for Boys (999sq.m.)
- Conversion of the first floor of Arndale House from offices to a medical clinic (1,189sq.m.)

The main drivers of losses are:

- Demolition of Stopsley High School (-10,812sq.m.)
- Demolition of the Bramingham Centre (-1,958sq.m.)

The demolition of Stopsley High School followed new-build re-provision on the same site. The associated gain was reported in 2016/17.

Since 2011/12, there has been a net floorspace gain of 48,324sq.m, which is mainly the result of school expansions.

**Table 24: Gross gain in non-residential institution floorspace 2017/18**

Number of applications	Location	Floorspace gained sq.m	Gained from	Element sq.m
4	Out of centre	1,206	Dwelling houses	35
			Extensions	1,171
2	Edge of centre	53	Extensions	53
4	Neighbourhood or district centre	354	General shops	127
			Dwelling houses	167
			Extensions	60
2	Town centre	1,237	Financial/ professional service	48
			Office	1,189

**Table 25: Gross loss in non-residential institution floorspace 2017/18**

Number of applications	Location	Floorspace lost	Lost to	Element sq.m
2	Out of centre	-12,770	Dwelling houses	-1,958
			Extensions	-10,812
3	Neighbourhood or district centre	-780	Restaurants and cafés	-181
			Dwelling houses	-526
			Sui generis	-73
1	Town centre	-553	Dwelling houses	-553

## Assembly and Leisure (D2)

There was a gross floorspace gain of 361q.m. and a gross loss of 1,155q.m. This equates to a net loss of 794sq.m. The level of loss is significantly greater than previous, recent years.

The delivery of new assembly and leisure uses in out-of-centre locations is not necessarily in-line with local and national policy.

Since 2011/12, there has been a net gain of 7,782sq.m, which is mostly the effect of a recent trend for trampoline parks.

**Table 26: Gross gain in assembly and leisure floorspace 2017/18**

Number of applications	Location	Floorspace gained sq.m.	Gained from	Element sq.m.
2	Out of centre	297	Extensions	297
1	Edge of centre	64	Extensions	64

**Table 27: Gross loss in assembly and leisure floorspace 2017/18**

Number of applications	Location	Floorspace lost sq.m.	Lost to	Element sq.m.
2	Out of centre	-970	Dwelling houses	-415
			Sui generis	-555
1	Town centre	-185	Dwelling houses	-185

## Development of Its Own Kind (sui generis)

There was a gross floorspace gain of 20,961sq.m. and a gross loss of 2,419sq.m. This equates to a net gain of 18,542sq.m.

The biggest driver of new floorspace was the ongoing enhancement of London Luton Airport (18,191sq.m.). This has been the case since 2011/12.

While most new development occurred in out-of-centre locations, sui generis uses include a wide variety of development types that are not appropriate within centres (e.g. MOT testing stations).

**Table 28: Gross gain in sui generis floorspace 2017/18**

Number of applications	Location	Floorspace gained sq.m.	Gained from	Element sq.m.
11	Out of centre	19,906	General industry	658
			Residential institutions	235
			Dwelling houses	722
			Small houses in multiple occupation	100
			Extensions / other sui generis	18,191
2	Edge of centre	512	Offices	180
			Residential institutions	332
3	Neighbourhood or district centre	138	Dwelling house	57
			Non-residential institution	73
			Extensions / other sui generis	8
2	Town centre	405	Financial/ professional service	87
			Dwelling house	318

**Table 29: Gross loss in sui generis floorspace 2017/18**

Number of applications	Location	Floorspace lost sq.m.	Lost to	Element sq.m.
1	Out of centre	-260	Restaurants and cafés	-260
2	Edge of centre	-615	Dwelling houses	-615
3	Neighbourhood or district centre	-998	Dwelling houses	-990
			Extensions / other sui generis	-8
2	Town centre	-546	Dwelling houses	-546

## **6. Key Findings**

### **Housing**

The old housing targets of the Luton Local Plan 2001-2011 were exceeded. The new targets from the Luton Local Plan 2011-2031 are being met.

Compared to the 50% target from the Luton Local Plan 2001-2011, there has been a significant under-provision of affordable housing. Rates of delivery are, however, broadly in-line with the 20% policy expectation in the new Luton Local Plan 2011-2031.

Significant volumes of student accommodation continue to be delivered despite there being no obvious growth in student numbers.

Losses in the number of rooms at residential care homes continue in-line with the approach for more people to live independently.

Permitted development rights are delivering a significant amount of 1-bed homes that do not meet identified needs.

### **Employment**

Net losses continue across all types of employment uses bar B1b (research and development), which saw no changes. This appears contrary to the local plan's ambition to retain existing stock until new provision has been delivered in strategic locations.

The majority of B1a (office) losses were through permitted development rights. A further 24,479sq.m. of floorspace is forecast to be lost through these rights in the coming years. This indicates an imbalance between the number of jobs and homes, contrary to the expectations of the local plan.

The majority of B1c (light industry) losses were due to expected re-development in High Town.

The majority of B2 (general industry) losses took place on designated employment land (category B). This is contrary to the expectations of the local plan.

Losses to B8 (storage and distribution) took place on sites allocated for housing and were mostly in-line with policy.

### **Other Development**

There was a net loss in general shops (A1). There were no gains of general shops (A1) in Luton town centre, only losses. The majority of new provision was located in neighbourhood and district centres.

There was a net gain in professional and financial services (A2), much of which was delivered within Luton town centre.

Restaurants and café (A3) provision continues to increase. The biggest gains were seen in out-of-centre locations.

Drinking establishments (A4) continue to decline, with the closure of two pubs and no new provision.

Hot food takeaways (A5) continue to increase, with the majority of new development in edge-of-centre locations.

There was a net gain of hotel uses (C1), all of which was located in out-of-centre areas.

There was a net loss in non-residential institutions (D1), driven by the demolition of old buildings at Stopsley High School.

Assembly and leisure uses (D2) decreased, with most change taking place at out-of-centre locations.

## Appendix 2



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# Appeal Decision

Site visit made on 17 March 2020

by **A Parkin BA (Hons) DipTP MRTPI**

an Inspector appointed by the Secretary of State

Decision date: 30 June 2020

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## Appeal Ref: APP/B0230/W/19/3237601

### 4-11 Burr Street, Luton LU2 0HN

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a failure to give notice within the prescribed period of a decision on an application for planning permission.
  - The appeal is made by Burr Street Limited against Luton Council.
  - The application Ref 18/01840/FUL, is dated 30 November 2018.
  - The development proposed is the demolition of existing buildings and redevelopment to provide 179 residential units (88 x 1-bed, 66 x 2-bed, 24 x 3-bed and 1 x 4-bed); undercroft car parking; cycle parking; refuse; plant and associated landscaping.
- 

### Decision

1. The appeal is dismissed and planning permission is refused.

### Preliminary Matters

2. The proposed development was changed during the application process. Consequently, I have used the description listed on the Appeal Form, which reflects these changes, in the banner heading above. It was also necessary for me to confirm the plans showing the appeal development with the main parties, given errors in the submitted evidence.

### Background and Main Issue

3. The proposed development was recommended for approval at the Council's Development Control Committee (DCC) meeting of 28 August 2019. However, a decision on the proposed scheme was deferred, following a motion to refuse, and an appeal was subsequently lodged concerning the failure to determine the proposal within the specified time period<sup>1</sup>.
4. The DCC considered the proposal again on 30 October 2019, after the appeal had been made, and resolved that planning permission be refused based upon the proposed mix of housing; the absence of any contribution to affordable housing provision; and, the absence of S106 financial contributions for other purposes. However, once a valid appeal has been made, the power to determine such a proposal moves from the Local Planning Authority to the Secretary of State, or in this case, one of their Inspectors.
5. A Hearing was scheduled for Tuesday 17 March 2020. However, following the Prime Minister's press conference of 16 March regarding the Covid-19 coronavirus pandemic, both main parties expressed their concerns regarding the Hearing taking place.

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<sup>1</sup> 13 weeks for a major development.

6. After considering the stated concerns, and with reference to the evolving guidance from the Planning Inspectorate, I postponed the Hearing on the morning of 17 March 2020, without opening. I informed the main parties of my decision in the circumstances and that an alternative date would be arranged in due course. Following my decision to postpone the Hearing I viewed the appeal site from nearby public land.
7. The restrictions imposed by the Government in response to the pandemic, and the consequent delay to the appeal process, afforded the Council the unusual opportunity to review the appeal proposal further. The DCC convened again on 6 May 2020 to consider their previously stated 'reasons for refusal', including with regard to an appeal decision for a similar proposal on a nearby site<sup>2</sup>; and, the scope of any S106 Agreement linked to the appeal development. The DCC resolved to withdraw its second 'reason for refusal' concerning the absence of any contribution to affordable housing provision; and, to replace its third 'reason for refusal' with a new one, concerning S106 financial contributions for affordable housing provision and other purposes.
8. As previously mentioned, the Council had no power to determine the appeal proposal and so could not withdraw or replace 'reasons for refusal' for a decision that it had not made. Nevertheless, I note the Council's substantive position in this regard.
9. Both main parties had previously requested that this appeal be determined by written representations. In light of the above and following receipt of a signed copy of the S106 agreement for this scheme, I am satisfied that this appeal can be determined by written representations. With reference to powers under Section 319A of the Town and Country Planning Act 1990, I informed the main parties of my decision in this regard. The appellant was permitted to submit final written comments given the change of procedure; I have had regard to these comments as part of the evidence in determining the appeal.
10. The main issue, therefore, is whether the proposal would provide a suitable mix of unit sizes with regard to identified housing need.

## **Reasons**

11. The appeal site is previously developed land, bounded by Burr Street to the southwest, Back Street to the northwest and Duke Street to the northeast, and by a small parcel of land to the southeast, adjoining Hitchin Road. A significant part of Duke Street next to the site has been closed to traffic and now forms part of a nearby commercial premises.
12. The appeal site is located a short distance to the north of Luton Railway Station, in an area containing a range of commercial uses, together with some new residential development. The town centre is positioned a short distance to the south of the railway station.
13. To the northwest of the site is the High Town neighbourhood, including the High Town Conservation Area (HTCA), which is centred on High Town Road. The topography of the land slopes downwards from High Town Road towards Hitchin Road, and gives the appeal site a sloping gradient. The design, scale, massing and position of the proposed development would not adversely affect the setting of the HTCA.

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<sup>2</sup> 10 Midland Road, Luton, Bedfordshire LU2 0HR; Ref: APP/B0230/W/19/3235438



14. The appellant altered the proposed development in June 2019, following discussions with Council officers. The appeal proposal includes five residential buildings comprising eighty-eight 1-bed units (ninety-nine originally); sixty-six 2-bed units (forty-eight originally); twenty-four 3-bed units (twenty-nine<sup>3</sup> originally); and, one 4-bed unit (four<sup>3</sup> originally), a total of 179 dwellings (180 originally).
15. The Council refers to the Strategic Housing Market Assessment (SHMA) for the Luton Housing Market Area (LHMA), and the identified need for 17,800 additional dwellings between 2011 and 2031. The housing need is further refined into numbers of different dwelling sizes (1-bed/2-bed/3-bed/4+bed) over the period.
16. The Council also refers to information from the latest Strategic Housing Land Availability Assessment (SHLAA), which compares the identified housing need by dwelling size to the historic delivery of dwellings between 2011/12 and 2018/19.
17. Whilst I do not have copies of the SHMA or SHLAA in the evidence before me, I have no reason to doubt the accuracy of the Council's references to their content, which the appellant has not disputed.
18. Notwithstanding that the identified need extends until 2031 and that delivery would be expected to vary over this period, the SHLAA shows that there has already been a very significant over-delivery of 1-bed dwellings against the identified housing need<sup>4</sup>. Furthermore, there has been a significant under-delivery of larger dwellings against the identified need, and a very significant under-delivery in terms of 3-bed dwellings<sup>5</sup>.
19. The proportion of 1-bed units in the proposed development now comprises 49% of the total, a reduction from what was originally proposed. Nevertheless, 1-bed units remain the single largest component of the scheme and there is no longer an identified need for such dwellings. The number of 3-bed and 4-bed dwellings proposed comprise just 14% of the total, despite making-up well over 61% of the originally identified need for the LHMA; I also note that the numbers of 3-bed and 4-bed dwellings have been reduced from the original proposal.
20. I would not expect any individual site to exactly replicate the mix of units that comprise the identified housing need for the whole LHMA, and the proposal would deliver some dwellings that would contribute towards meeting this need. However, the significant number of 1-bed units in the proposed development would be wholly inconsistent with meeting the housing need identified in the SHMA.
21. Furthermore, the numbers of 3-bed and 4-bed units would make only a very limited contribution towards meeting the identified housing need. The proposed development would, therefore, prevent land that could be used to more effectively meet this need from being used to do so.
22. From the evidence it is not clear how the mix of housing proposed has been informed by the SHMA. In my view, neither the original scheme, nor the appeal

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<sup>3</sup> There are inconsistencies in the submitted evidence regarding the number of 3-bed and 4-bed dwellings in the original proposal. I have used the original proposal figures from the appellant's letter dated 18 June 2019, which amended the scheme, and from the Statement of Common Ground dated 12 March 2020. In any event, the inconsistencies in the original proposal figures have no significant bearing on my determination of the appeal.

<sup>4</sup> 2,307 units delivered against an identified need of 420 units.

<sup>5</sup> 383 3-bed units delivered against an identified need of 10,910 units and 402 4+bed units delivered against an identified need of 2,590 units.

scheme, would be consistent with meeting the identified need specified in the SHMA.

23. The appeal site is located within walking distance of both the railway station and the town centre. However, no substantive evidence has been provided to show that such a location would be particularly suitable for residents seeking a 1-bed dwelling, rather than those wanting a larger unit. I see no reason why this would be the case.
24. Furthermore, no compelling evidence has been provided to demonstrate that the scale of 1-bed units proposed is required to enable the proposed mix of dwellings to be viable, as inferred by the Council's Officer report of 28 August 2019 and the appellant's final comments. I also note that the four-document 'viability report' submitted in the evidence<sup>6</sup> pre-dates the June 2019 amendment to the scheme by some 5-7 months and concerns a different scheme of 180 units. There is no viability assessment of the appeal development in the evidence before me.
25. The housing mix for the aforementioned nearby housing scheme approved on appeal (Ref. APP/B0230/W/19/3235438) is said to be somewhat similar to that proposed for the appeal development, albeit with some differences in the proportion of dwellings of certain sizes. However, I am not familiar with this scheme, and in any event, each proposal should be determined on its individual merits, with appropriate regard to the development plan and material considerations, which is what I have done in this case.
26. For these reasons the appeal development would not provide a suitable mix of unit sizes with regard to identified housing need. It would therefore conflict with Policy LLP15 (housing provision) contained in the Luton Local Plan 2011-2031, which seeks to meet identified housing needs, and with guidance contained in the National Planning Policy Framework 2019.

## **Conclusion**

27. As referenced above, there is no longer a dispute between the main parties regarding affordable housing provision. A counterpart S106 planning agreement was submitted in early June 2020 which aims, amongst other things, to provide for a financial contribution towards off-site affordable housing provision, including a viability review mechanism<sup>7</sup>.
28. It is not disputed that there is a need for affordable housing in Luton and that the provision of affordable housing would therefore be a benefit of the scheme. However, I am not satisfied that this benefit would outweigh the harm that I have identified in terms of the housing mix of the proposed scheme.
29. For the reasons given above, and taking into account all matters raised, I conclude that the appeal is dismissed and planning permission refused.

*Andrew Parkin*

INSPECTOR

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<sup>6</sup> 1 HEDC Explanatory Notes; 2 Argus Developer appraisal summary; 3 Accommodation schedule with pricing; and, 4 TPI construction cost estimate.

<sup>7</sup> £390,000, potentially rising to £774,000 dependent upon the viability review mechanism.

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## Appendix 3

**EXAM 119:  
CBC Response to Inspectors on  
Household Projections**

**05 August 2020**

Central Bedfordshire Local Plan 2015-2035

**A great place to live and work.**



Via Email

Your ref: -  
Our ref: EXAM 119  
Date: 5 August 2020

Dear Inspectors Birkinshaw and Hockenull

Further to your letter dated 8 July 2020, I write to provide the Council's response to the matters you asked about following the publication by the ONS of the 2018-based household projections.

***Objectively assessed need for housing for Central Bedfordshire Council based on the most up-to-date household projections***

- (i) The Council's response is set out in the enclosed note (Note 1) which has been prepared for the Council by Opinion Research Services (ORS), including how the figure has been arrived at. In summary, based on the latest up to date 2018 household projections, the change to the Council's OAN is less than 1% and therefore not material and does not represent a "meaningful change".

***Implications of the latest household projections on housing needs in Luton***

- (ii) As a matter of principle, the latest household projections do not have any implications on the housing needs in Luton as its figures are part of its recently adopted plan. The OAN for Luton has been independently examined. Its OAN is not subject to the transitional arrangements in paragraph 214 of the 2019 National Planning Policy Framework. In contrast to the position in Central Bedfordshire therefore, the policies in the 2012 Framework and previous versions of the PPG do not continue to apply.
- (iii) It is not appropriate for the examination into CBC's plan to seek to update or compare the adopted OAN for Luton based on the "most up to date information set out in the 2018 based projections". Any update or revision to Luton's OAN would be undertaken in accordance with the present Government policy in respect of the Standard Methodology and the 2014 based projections. There is no basis in Government policy for the use of any other methodology or projections save where the transitional provisions apply.

- (iv) Furthermore, it is the Council's view that it is in any event outside the remit of the examination into CBC's plan to seek to update Luton's objectively assessed need. This position is clearly supported by relevant case law (see for example CPRE Surrey v Waverley Borough Council [2019] EWCA Civ 1826).
- (v) However, in order to respond to the question asked in your letter, all three Councils CBC, NHDC and LBC have asked ORS to model the scenario were Luton's OAN to be updated under the provisions of the 2012 Framework. The details and outcome of this exercise are set out in the enclosed note (Note 2). Based on the methodology accepted and adopted by the inspector who examined the Luton Local Plan, the revised figure would be approximately 16,700 homes. This represents a 6% difference from the adopted OAN. This would not represent a "meaningful change."
- (vi) Accordingly, even if the OAN were to be updated in this manner, there would be no implications for the CBC examination, its strategy to contribute to the housing needs of Luton or the release of Green Belt land around Luton.
- (vii) A Statement of Common Ground on this point has been agreed by all three authorities (CBC, NHDC and LBC), which is also enclosed (Note 3).

***Aireborough Neighbourhood Forum v Leeds City Council [2020] EWHC 45 (Admin)***

- (viii) As set out above, there has not been a meaningful change in the housing need situation and therefore the judgment has no implications for the examination.
- (ix) In the Leeds case, there had been a material change in the housing requirement and the inspectors who examined the plan, failed to provide adequate reasoning why the Green Belt releases to meet housing need were still justified. It is worth noting that it was not the case that the Green Belt releases could not be made, but rather that adequate reasoning for so doing had not been provided.
- (x) None of the circumstances that arose in the Leeds case apply in respect of the CBC examination.

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In conclusion, there are no implications for the examination arising from either the up to date ONS 2018 based projections or from the Leeds case.

Yours sincerely

A handwritten signature in black ink that reads "A. Davie". The signature is written in a cursive style with a large initial 'A' and a smaller 'D'.

**Andrew Davie**  
**Assistant Director – Development and Infrastructure**



Note 1: ORS review of objectively assessed need for housing for Central Bedfordshire

# Central Bedfordshire Local Plan EIP

## Response to the Inspectors' questions on the ONS 2018-based population and household projections

1. The Inspectors examining the Central Bedfordshire and North Hertfordshire Local Plans have jointly written to both Councils following the publication of the ONS 2018-based household projections, asking about the implications of the new figures on the identified housing need for their respective local areas. In addition, the Inspectors have asked about the impact of the new figures on the housing need for Luton and the possible implications for unmet need that is included within their Plans.
2. Central Bedfordshire Council has asked Opinion Research Services (ORS) to prepare this note to consider the implications of the latest official projections on the OAN for Central Bedfordshire.
3. Luton Borough Council together with Central Bedfordshire Council and North Hertfordshire District Council have jointly asked ORS to prepare a separate note to consider the implications for Luton.

### Population and household projections

4. Following the original hearing, a table was produced that provided the Inspectors with a comparison of the various housing needs that had been discussed during the hearing as summarised below. The ONS has now published the 2018-based household projections which include a number of variant scenarios, and the most relevant have now also been included in the summary table below.
5. For each projection, the table summarises the key assumptions (in terms of the migration period, the rates applied for fertility and mortality and the household formation method used) together with the total population and households resident in 2015, the equivalent projections for 2035 and the net change over the 20-year period 2015-2035.

Projection	Migration Period	Fertility/ Mortality	Household Formation	Total Population			Households		
				2015	2035	2015-35	2015	2035	2015-35
SHMA	10-yr trend 2005-15	ONS 2014-based SNPP rates	CLG method	271,529	325,061	53,532	112,435	140,173	27,738
CLG 2014	5-yr trend 2009-14			273,191	343,789	70,598	113,012	147,599	34,587
ONS 2016 sensitivity 2	5-yr trend 2011-16	ONS 2016-based SNPP rates	ONS method; constant rates from 2021	272,421	334,630	62,209	112,417	143,653	31,236
ONS 2016 principal scenario							111,357	142,198	30,841
ONS 2016 10-yr migration	10-yr trend 2006-16			272,421	326,954	54,533	111,357	139,886	28,529
ONS 2018 principal scenario	2-yr trend 2016-18			272,421	318,055	45,634	111,355	136,802	25,448
ONS 2018 5-yr migration	5-yr trend 2013-18			272,421	324,397	51,976	111,355	139,020	27,665
ONS 2018 10-yr migration	10-yr trend 2008-18	ONS 2018-based SNPP rates		272,421	323,203	50,782	111,355	138,837	27,482

6. The SHMA projects a total of 140,173 households resident in Central Bedfordshire by 2035 based on 10-year migration trends. This compares to a lower total of 138,837 households identified by the ONS 2018-based projections, based on their **10-year migration variant**. However, the latest ONS figures now estimate that there were slightly fewer households resident in 2015 than was estimated by the SHMA based on previous CLG projections; so the 20-year Local Plan period 2015-2035 has a lower starting point in the latest ONS projections than had been assumed by the SHMA. The growth identified by the SHMA for this period was 27,738 households compared to 27,482 households now identified by the ONS 2018-based 10-year migration variant; a difference of only 256 households, equivalent to less than 1%.
7. The other two scenarios presented from the ONS 2018-based projections show comparable levels of household growth:
  - » The **principal scenario** (based on 2-year migration trends) identifies a growth of 25,448 households; lower than both the SHMA projection and the 10-year migration variant, with differences of 2,290 households (8.3%) and 2,034 households (7.4%) respectively; and
  - » The **alternative internal migration variant** (based on 5-year migration trends) identifies a growth of 27,665 households; lower than the SHMA projection by 73 households (0.3%) but higher than the 10-year migration variant by 183 households (0.7%).
8. **In summary, we can conclude that there is no material difference between the SHMA and the ONS 2018-based household projections.** However, the following sections consider two technical points relating to the official projections.

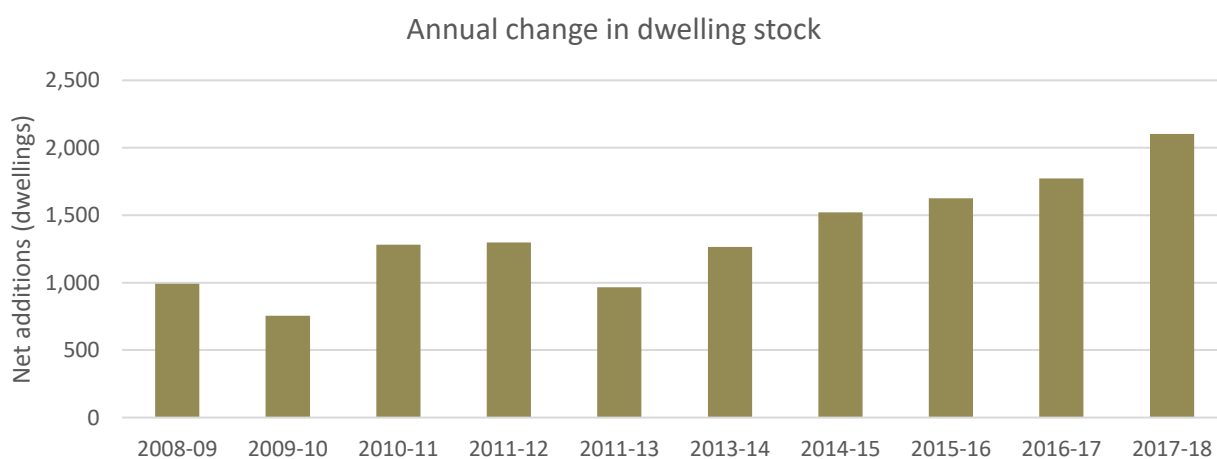
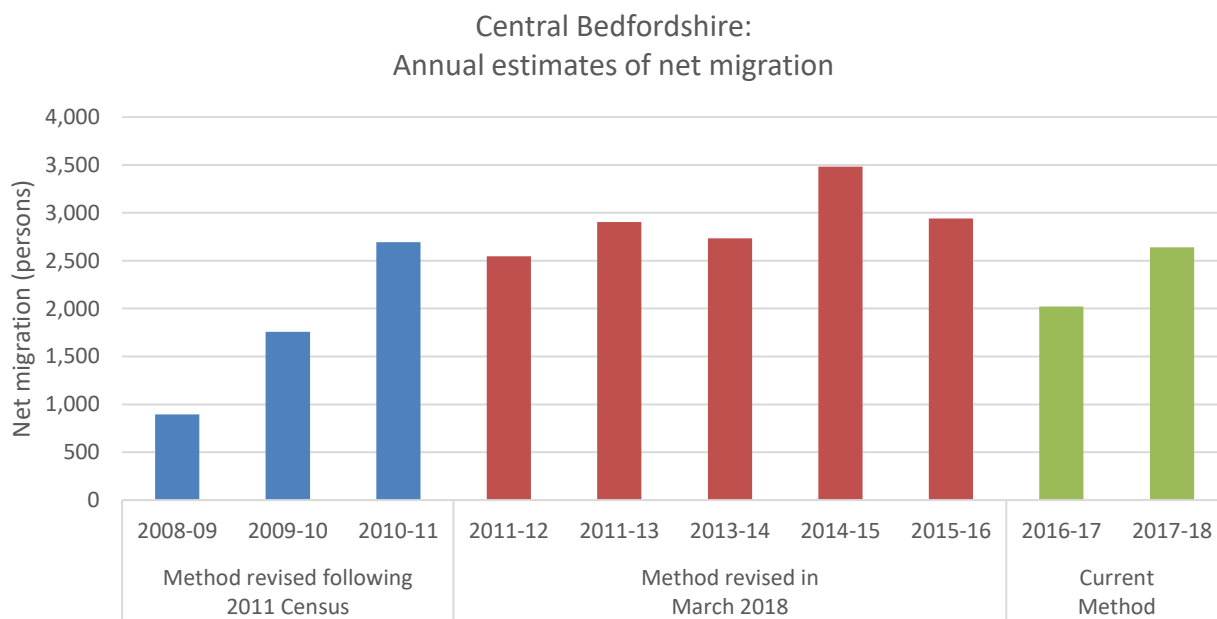
## Revisions to the official mid-year population estimates

9. ORS has had long-standing concerns about the accuracy of the official mid-year population estimates published by the ONS for Central Bedfordshire for the period since the 2011 Census (see chapter 3 of the 2017 SHMA, paras 3.21-3.34). Given these concerns, the SHMA derived alternative population estimates based on a range of administrative data sources to provide the mid-2015 starting point for the population projections.
10. The ONS revised the official population estimates for mid-2012 to mid-2016 to take account of a number of methodological improvements. This data was published to inform the 2016-based sub-national population projections, which formed the basis for the ONS 2016-based household projections. The data was not available when the SHMA was prepared, but it was discussed at the original Matter 2 examination hearings and a summary table which set out the various population estimates was subsequently produced in response to the Inspectors' questions (EXAM 33).
11. The ONS official estimate for mid-2015 was originally 274,022 persons, whereas the SHMA estimated the population to be 271,527 persons at that time: a difference of 2,495 persons. The ONS revised estimate for mid-2015 was 272,421 persons: a reduction of 1,601 persons, around two thirds of the difference between the original estimate and the SHMA, albeit that the revised estimate remained higher than the SHMA figure (a difference of 894 persons). However, other data sources such as the Statistical Population Dataset (currently an ONS research project) suggested that the ONS revised estimate was still too high.

12. The ONS has continued their programme of methodological improvements to the population estimates, and further changes to the way in which internal migration flows are calculated were introduced for 2016-17 and 2017-18 to inform the mid-2017 and mid-2018 estimates. Data for earlier years has not been revised to take account of these latest changes. Instead, the ONS decided that the 2018-based projections would only use internal migration estimates for 2016-17 and 2017-18 to inform the principal scenario, with variant scenarios produced using longer trend periods despite the methodological differences between the estimates. The various methodological changes can be summarised as follows:

- » Migration estimates for the 2-year period 2016-2018 are based on the latest methodology;
- » Migration estimates for the 5-year period 2011-2016 are based on those improvements introduced in the revised data published in March 2018;
- » Migration estimates for the 3-year period 2008-2011 are based on those improvements introduced when the figures for 2002-2010 were reissued following the 2011 Census.

13. The following charts shows the annual migration estimates for Central Bedfordshire over this period and the annual change in dwelling stock (based on MHCLG Live Table 122).



14. It is clear that the ONS estimates of annual net migration for 2-year period 2016-2018 (the only years which benefit from the latest methodological improvements) are notably lower than the annual average for the 5-year period 2011-2016, which are estimates from a methodology that has now been superseded. The average annual net gain from 2011-16 was 2,922 persons, compared to an average gain of 2,331 persons each year from 2016-18. This represents a difference of 591 persons, which is equivalent to over 20% of the average annual estimates for 2011-16 and over 25% of the average annual estimates for 2016-18.
15. MHCLG data shows that the dwelling stock increased by 1,335 dpa on average over the period 2011-2016, with an average of 1,938 dpa over the period 2016-2018. This represents a difference of 603 dpa equivalent to an increase of 45%. Whilst it is not possible to directly relate migration estimates with increases in the dwelling stock, PPG recognises that housing delivery can have an impact on migration levels:

*Migration levels that may be affected by ... a large housing development such as an urban extension in the last five years [ID 2a-017-20140306]*

16. It is therefore notable that official estimates of migration reduced by 20-25% when net additions to the dwelling stock increased by 45%. Whilst the methodological improvements that ONS has introduced have improved the official estimates of migration over the period 2011-2016, ORS continues to have concerns about the accuracy of the data for this period.
17. It seems likely that the most recent improvements that the ONS introduced for the mid-2017 and mid-2018 data may have addressed the outstanding issues, but this does not address problems that are likely to remain in the existing data for earlier years which continues to inform variant scenarios in the population projections. If the official estimates of migration are too high within the data informing the trend period, the projected rates of future migration will also be too high.
18. On the basis that problems remain with the official migration estimates for the period 2011-2016, both the "alternative internal migration variant" and the "10-year migration variant" scenarios within the ONS 2018-based projections are likely to overstate future population growth. As a result, the associated household growth is also likely to be overstated. The ONS 2018-based projections principal scenario does not rely on the problematic migration estimates, but as this projection is based on only 2-years of trend-based data, it unfortunately lacks the robustness of a longer-term perspective.

## Changes to the method for calculating household formation

19. The ONS 2018-based household projections are based on a new household formation method that was first introduced for the ONS 2016-based projections. This new ONS household formation method only uses data from the 2001 and 2011 Census, so recent trends such as the reduction in young households being able to form in some local authority areas following the 2008 recession and associated credit crunch can have a significant impact on the future projection. In contrast, the SHMA projections were based on the previous CLG household formation method (see chapter 3 of the 2017 SHMA, paras 3.78-3.100) which used Census data covering the period 1971 to 2011.
20. As part of the 2016-based projections, the ONS published a sensitivity analysis which compared the two methods for calculating household formation. Both the ONS 2016 principal projection and the ONS 2016 sensitivity 2 projection were based on the same population, but applied the different formation rates.

21. For Central Bedfordshire applying the new ONS formation method yielded a growth of 30,841 households over the 20-year period 2015-2035, whereas applying the previous CLG formation method yielded a growth of 31,236 households for the same population over the same period. In other words, the change in formation method reduced the projected growth: the CLG method identified 395 more households than the new ONS method, a difference of 1.3%.
22. Whilst the ONS has not published this sensitivity test as part of the 2018-based household projections, the method has not changed and it is likely that the previous CLG method would again yield slightly more households. However, even with an uplift of 1.3% applied, the principal scenario would remain lower than the SHMA projection.

## Conclusions

23. The ONS 2018-based household projections show a comparable level of growth to that identified by the SHMA. Whilst the principal scenario identifies a marginally lower growth of 25,448 households over the 20-year Local Plan period 2015-2035 (2,290 fewer than the SHMA) this is based on migration trends covering only a 2-year period, and a longer-term perspective typically provides a more robust basis for establishing housing need. Both the alternative internal migration variant (based on 5-year trends) and the 10-year migration variant identify growth that is within 1% of the SHMA projection.
24. Nevertheless, it is important to note that there have been longstanding problems with the accuracy of official migration estimates for Central Bedfordshire. Whilst the most recent improvements introduced by the ONS for the mid-2017 and mid-2018 data may now have addressed these issues, problems are likely to remain in the data for earlier years that inform both the "alternative internal migration variant" and the "10-year migration variant" scenarios of the 2018-based projections. As a consequence, both variants are likely to overstate future household growth to some extent. The ONS 2018-based projections principal scenario does not rely on the problematic migration estimates, but this projection uses only two years of trend-based data so lacks the robustness of a longer-term perspective.
25. It is also important to recognise that changes to the household formation method that were introduced by the ONS when they took responsibility for the projections are likely to have increased the level of suppressed household formation in some areas. However, sensitivity analysis published for the 2016-based projections showed that the impact in Central Bedfordshire was only 1.3%. Whilst an equivalent sensitivity analysis has not been published for the 2018-based projections, the reduction would be comparable as the method remains the same. Therefore, whilst suppressed household formation might have reduced projected growth to some extent, it is likely that the doubts about migration trends underlying both the "alternative internal migration variant" and the "10-year migration variant" scenarios being too high would offset any adjustment to household formation.
26. **On this basis, we can conclude that there is no material difference between the SHMA and the ONS 2018-based household projections; so there is no meaningful change in the housing situation in the context of the PPG.<sup>1</sup>**

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<sup>1</sup> PPG Reference: ID 2a-017-20140306



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Note 2: ORS review of Luton population and household projections



# Review of the Luton Population and Household Projections

1. The Office for National Statistics (ONS) published the 2018-based sub-national population projections (SNPP) in March 2020. These formed the basis of the 2018-based household projections, published in June 2020.
2. The official projections provided the starting point estimate for housing need in the context of the original National Planning Policy Framework (NPPF) and associated Planning Practice Guidance (PPG),<sup>1</sup> and given that the local plans for Central Bedfordshire and North Hertfordshire are being examined under the original NPPF and both Plans provide for Luton's unmet need, Luton Borough Council, Central Bedfordshire Council and North Hertfordshire District Council have jointly commissioned Opinion Research Services (ORS) to consider if the latest figures represent "a meaningful change in the housing situation" [ID 2a-017-20140306].
3. Figure 1 presents the range of official population and household projections that have been published since the original SHMA was commissioned, together with the independent projections produced by ORS that have informed the SHMA analysis. The table sets out the key assumptions for each projection (in terms of the migration period, the rates applied for fertility and mortality and the household formation method used) together with the change in population and households resident over the 20-year period covered by the Luton Local Plan (2011-2031) and the associated housing need prior to any market signals uplift, and with uplifts of 10% and 20% applied.

Figure 1: Population and Household Projections for Luton, 2011-2031 (Sources: CLG; ONS; SHMA)

Projection		Migration Period	Fertility/ Mortality	Household Formation	Change 2011-31		Housing Need			
					Pop	HH	No uplift	10% uplift	20% uplift	
CLG 2012-based		5-yr trend 2007-12	2012-based SNPP rates	CLG method	45,111	<b>21,682</b>	22,306	24,537	26,767	
2015 SHMA		10-yr trend 2001-11			30,576	<b>14,349</b>	14,762	16,238	17,714	
CLG 2014-based		5-yr trend 2009-14			2014-based SNPP rates	48,979	<b>23,336</b>	23,965	26,361	28,758
2017 SHMA		10-yr trend 2005-15				43,813	<b>16,651</b>	17,100	18,810	20,520
ONS 2016-based	Sensitivity analysis 2	5-yr trend 2011-16	2016-based SNPP rates	ONS method	34,154	<b>19,110</b>	19,625	21,587	23,550	
	Principal scenario									<b>13,776</b>
	10-yr migration variant	10-yr trend 2006-16			35,341	<b>13,624</b>	13,991	15,390	16,789	
ONS 2018-based	Principal scenario	2-year trend 2016-18	2018-based SNPP rates	ONS method	1,077	<b>3,775</b>	3,877	4,264	4,652	
	Alt. internal migration variant	5-year trend 2013-18			17,558	<b>8,543</b>	8,773	9,651	10,528	
	10-yr migration variant	10-yr trend 2008-18			26,815	<b>11,494</b>	11,804	12,984	14,164	

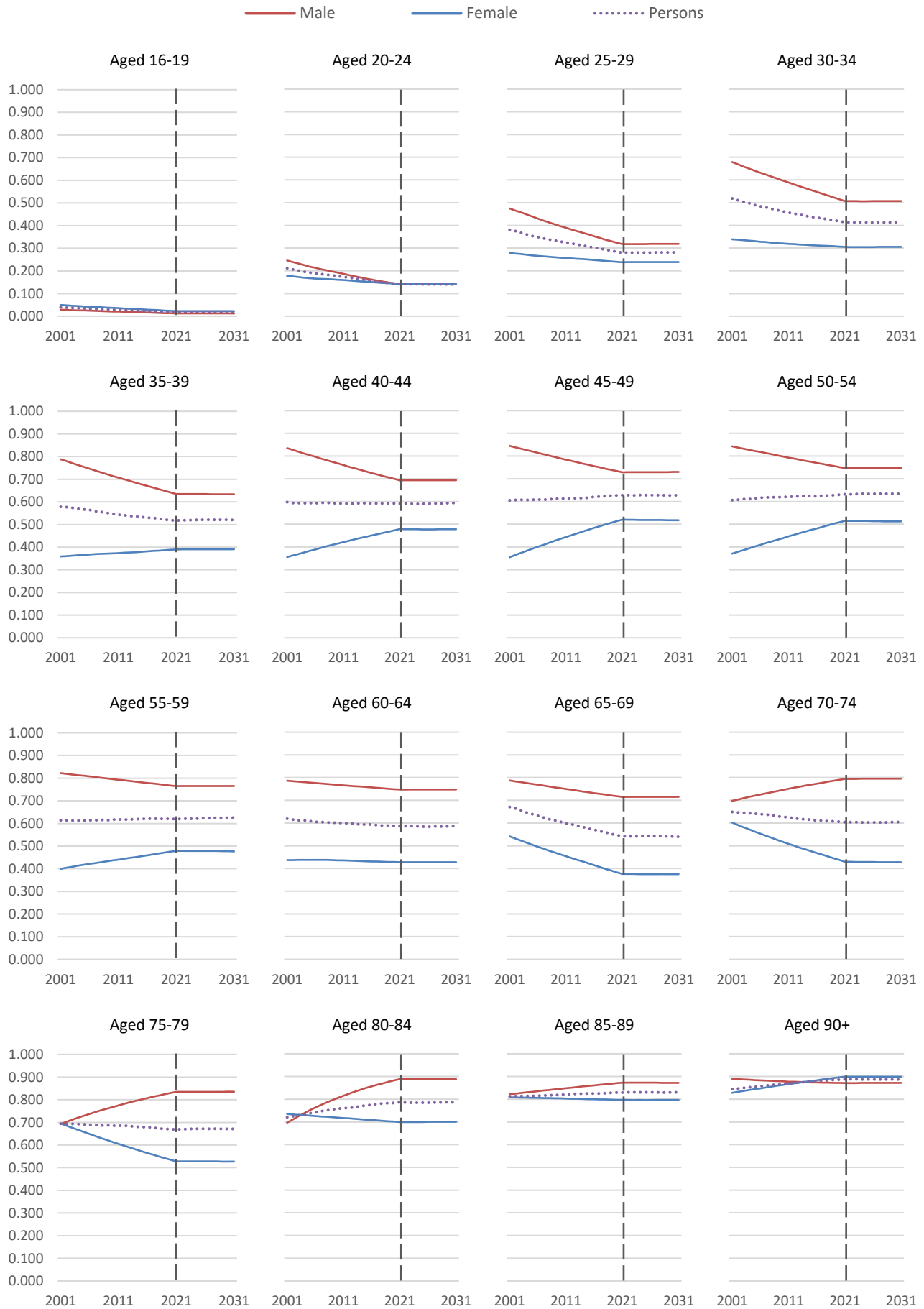
<sup>1</sup> Planning Practice Guidance (PPG) ID 2a-015-20140306

4. It is apparent that the ONS 2018-based projections are considerably lower than previous official projections, with the principal projection showing a growth of only 3,775 households over the 20-year period 2011-2031 equivalent to an average of 189 per year. This contrasts with the CLG 2012-based projections (the starting point for the 2015 SHMA, which informed the Luton Local Plan) which showed a growth of 21,682 households over the same 20-year period (an average of 1,084 per year) and the CLG 2014-based projections which showed yet higher growth of 23,336 households (1,167 per year).
5. However, all of these projections are based on relatively short-term migration trends: the 2012-based and 2014-based projections covering the 5-year periods 2007-12 and 2009-14 respectively, and the 2018-based projections covering the 2-year period 2016-18. As migration trends tend to be cyclical (and often have peaks and troughs) the SHMA projections were based on trends that covered 10-year periods. At the time that the SHMA analysis was prepared, these suggested lower rates of growth than the official projections. Whilst the 2012-based projections identified a growth of 21,682 households, the 2015 SHMA projections identified a growth of 14,349 households – a figure that was around one third (33.8%) lower than the starting point.
6. The official household projections that were published by CLG did not provide any migration sensitivity tests; however, the more recent ONS figures provide variants based on a number of scenarios, which include an analysis based on 10-year migration trends. This scenario shows a growth of 11,494 households for Luton, which is only 2,855 households fewer than identified by the 2015 SHMA projections based on 10-year trends (14,349 households); a reduction of less than a fifth (19.8%). This contrasts with the 17,907 household difference between the 2012-based starting point (21,682 households) and the 2018-based principal scenario (3,775 households); a reduction of more than four-fifths (82.6%).
7. The Luton projections exemplify why it is right to focus on longer-term migration trends (as was argued by the SHMA and endorsed by the Inspector that examined the Luton Local Plan) and not rely uncritically on the starting point figures. It would have been wrong to rely on the CLG 2012-based projection, as it was unduly high; and it would be equally wrong to rely on the ONS 2018-based principal projection, as it is unduly low. Given this context, when considering the latest official projections, it is appropriate to focus on the 10-year migration variant to determine if these figures represent a “*a meaningful change*”.
8. On balance, it would probably be reasonable to conclude that a reduction of a fifth was a meaningful change if the figures had been derived on an otherwise like-for-like basis. However, changes that the ONS introduced for establishing household formation when they took responsibility for the producing the 2016-based figures have had a significant impact in Luton.
9. Using the new ONS household formation method, the 2016-based projection identified a growth of 13,776 households; but “sensitivity analysis 2” showed that the same population projections would result in a growth of 19,110 households if the previous CLG household formation method had been applied. Therefore, the methodological change that was introduced for calculating household formation resulted in 5,334 fewer households. On this basis, we can conclude that the 2018-based household projections are not directly comparable with the projections that were produced by the SHMA, given the impact of the different household formation calculations.

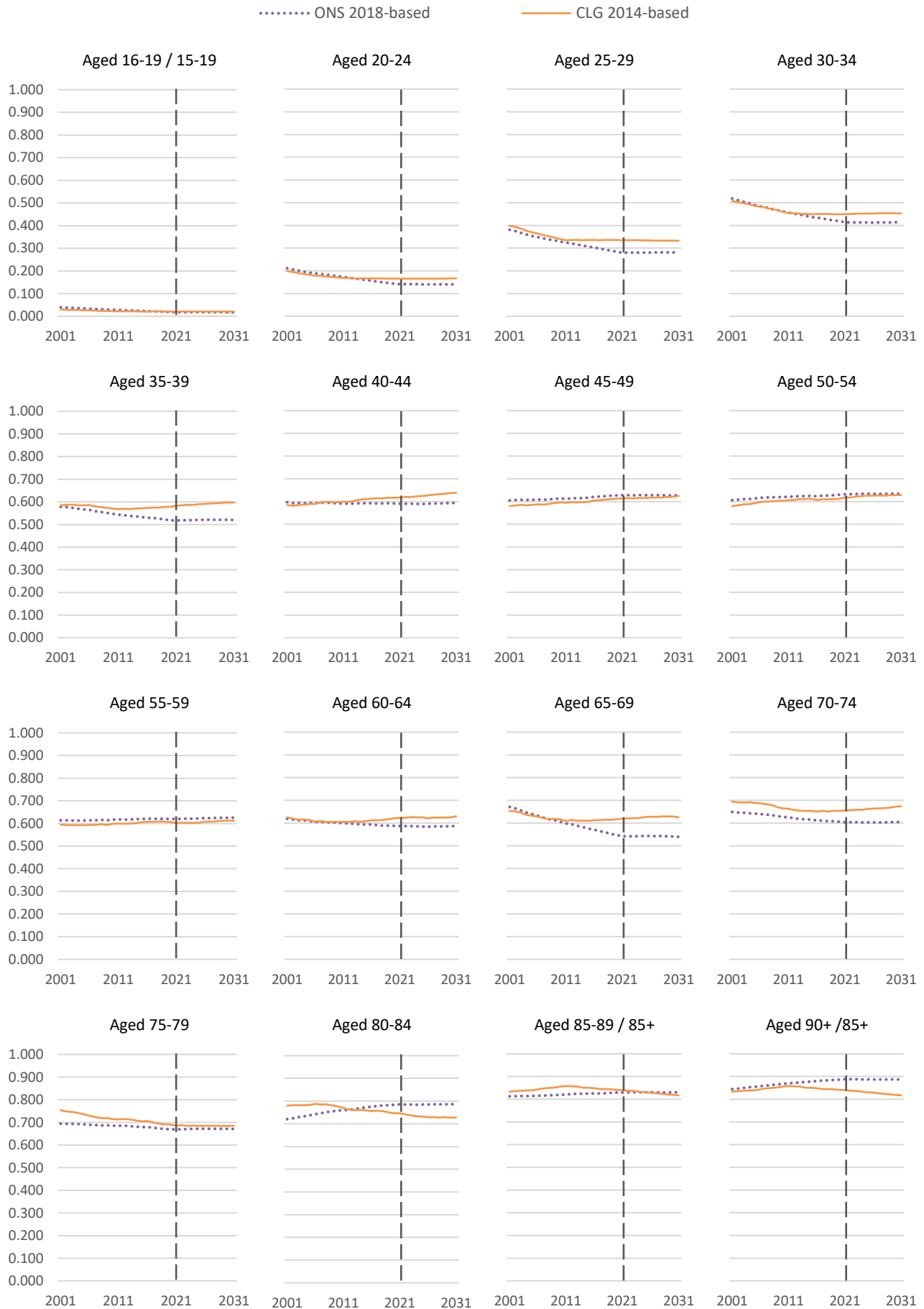
## Household Formation

10. As previously noted, the ONS introduced an entirely new methodology for calculating household formation when they took responsibility for the 2016-based household projections. Whilst the previous CLG household formation method used Census data covering the period 1971 to 2011 (see the Luton & Central Bedfordshire SHMA Refresh 2015, paras 2.87-2.94) the new ONS household formation method only uses data from the 2001 and 2011 Census. Consequently, recent trends (such as the reduction in young households being able to form in some areas) can have a significant impact on the future projection.
11. Furthermore, the 2001 Census had a particularly low response rate in Luton which led to a likely under-enumeration of the population for this area (see the SHMA Refresh 2015, paras 2.20-2.24). Whilst this had an impact on migration trends, it would also affect household formation.
12. The methodology for establishing household formation is based on the probability of individuals being household representatives (the statistical “head of household”). This is based on dividing the total number of persons in the household population within each age/gender group with the total number of household representatives within that same group. If the total number of persons is underestimated, then this would lead to the household representative rate (i.e. the probability of individuals being household representatives) being overestimated.
13. Since the household representative rates calculated based on 2001 Census data formed only one of the five Census data points in the trends used to inform the previous CLG household formation method, the impact of any error in the 2001 Census would only have had limited impact. However, as the 2001 Census data forms one of only two Census data points in the trends used to inform the new ONS household formation method, any errors in that data would have a substantial impact on the resulting projections.
14. Figure 2 shows the male and female household representative rates by age group for Luton from the 2018-based household projections, and how these are projected to change over time. The new ONS method assumes that the trends observed between the 2001 and 2011 Census will continue up until 2021, and then holds the rates constant from 2021 onwards. The charts also show a combined rate for all persons for the 2018-based projections, but this is only illustrative as the household projections are based on the separate male and female data.
15. It is clear that the overall rates declined across all 5-year age bands for those aged under 40 over the 10-year period 2001 to 2011, with similar reductions evident for those aged between 60 and 79. Since the projections are trend-based, the rates for each of these 5-year age bands are projected to continue declining until 2021, at which point they are held constant.
16. Figure 3 compares the combined rates by age group for Luton from the 2018-based household projections with the previous CLG 2014-based projections. Once again, this is illustrative given that the previous CLG method divided each age band into six groups, with separate male and female rates established for those (i) currently living as a couple (either married or cohabiting); (ii) previously married but now separated, divorced or widowed; and (iii) single people who have never been married.
17. It is apparent that the new ONS household formation method is based on lower household representative rates than were projected by the previous CLG method across all age groups aged under 45 and also for those aged between 60 and 74. As a consequence of these lower rates, there is less probability of individuals being counted as household representatives which results in fewer households overall; so the ONS 2018-based projections are more likely to result in suppressed household formation.

Figure 2: ONS 2018-based Household Representative Rates for Luton by age and gender, 2001-2031



**Figure 3: Comparison of ONS and CLG Household Representative Rates for Luton by age and gender, 2001-2031**



18. Whilst it is likely that the ONS 2018-based household projections under-estimate future household growth, it is also likely that the CLG 2014-based household projections over-estimated the likely growth. This was partly due to the reliance on historic data from 1971 and 1981 at a time that the demographic characteristics and ethnic mix of Luton were very different to that of the current population; but, more importantly, as a consequence of not taking account of cohort effects within the analysis.
19. This was reviewed by the 2017 SHMA, which considered the likely impact of the ethnic mix across the different population cohorts (see the Luton & Central Bedfordshire SHMA 2017, paras 3.90-3.100). The SHMA concluded that some of the household representative rates for Luton from the CLG 2014-based household projections were probably too high, and as a consequence both the currently estimated and the projected future average household sizes were too low (2017 SHMA, figure 55). Therefore, the rates from the 2014-based projections were adjusted to take account of local evidence.
20. To establish the impact of each of these different household formation calculations, ORS has undertaken sensitivity analysis using the 10-year migration variant of the official 2018-based population projections; applying the household formation rates from the CLG 2014-based projections (an analysis that is comparable with “sensitivity analysis 2” undertaken by the ONS as part of the 2016-based projections) and also the adjusted rates that were used for the 2017 SHMA. Figure 4 shows the outcome of this analysis set alongside the figures from the 2015 SHMA which informed the Luton Local Plan.

**Figure 4: Sensitivity analysis based on the ONS 2018-based Population Projections for Luton, 2011-2031**

Household Projection		Change 2011-31		Housing Need		
		Population	Households	No uplift	10% uplift	20% uplift
ONS 2018-based household projections 10-year migration variant		26,815	<b>11,494</b>	11,804	12,984	14,164
ORS sensitivity analysis	CLG 2014-based household formation rates		<b>16,179</b>	16,615	18,276	19,938
	2017 SHMA adjusted household formation rates		<b>13,501</b>	13,865	15,251	16,638
2015 SHMA household projections 10-year migration trends		30,576	<b>14,349</b>	14,762	16,238	17,714

21. Both of the sensitivity analysis are based on the same population as the 2018-based household projections: the 10-year migration variant, which projects a growth of 26,815 persons over the 20-year period 2011-2031. However, whilst the ONS household formation method yields a growth of 11,494 households, applying the previous CLG method yields a notably higher growth: a total of 16,179 households, which is 4,685 more than projected by the ONS method, equivalent to an increase of around two-fifths (40.8%).
22. On this basis, it is reasonable to take a range of between 11,494 and 16,179 households when considering household growth based on the latest official population projections. However, for the reasons set out above it is likely that the official figure published by the ONS is too low for establishing housing need given (i) the extent of suppressed household formation, and (ii) errors likely to have been introduced by relying unduly on data from the 2001 Census. Therefore, for the reasons set out in the 2017 SHMA (paras 3.90-3.100), it is likely that sensitivity analysis based on the CLG 2014-based rates yields a figure that is too high.
23. The adjusted rates that were derived for the 2017 SHMA yield a growth that is between these two extremes: 13,501 households, which is 2,007 more than the ONS method (an increase of 17.5%) but 2,678 fewer than the CLG method (a reduction of 16.6%). Taking account of all of the evidence, we believe that this provides the most appropriate basis for considering if there has been “*a meaningful change in the housing situation*”.

## Conclusions

24. When compared with the 2015 SHMA (which formed the basis of the OAN for the Luton Local Plan), it is evident that the latest data shows a lower rate of population growth (26,815 cf. 30,576 persons) and a lower household growth based on our best estimates (13,501 cf. 14,349 households). Therefore, whilst the starting point for establishing housing need in Luton has reduced from a growth of 14,349 households to only 3,775 households, projections based on longer-term migration trends and that take account of changes to the household formation method provide far more consistency.
25. Taking these household projections as a basis for establishing housing need on a like-for-like basis with that used for the 2015 SHMA – which made an allowance for vacant and second homes and then applied an uplift of 20% as a response to the market signals in Luton – would yield a housing need of 16,638 dwellings. **On this basis, a full Objectively Assessed Need would be 16,700 dwellings for the 20-year period 2011-2031 equivalent to an average of 835 dpa.** This compares to the OAN of 17,800 dwellings (890 dpa) that formed the basis of the housing numbers in the Luton Local Plan.
26. On balance, whilst it is likely that the overall OAN has reduced by around 55 dpa over the Plan period, **we do not consider that a reduction of only 6% represents a meaningful change.**



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### Note 3: Statement of Common Ground between CBC, NHDC and LBC



**Statement of Common Ground  
agreed between  
North Hertfordshire District Council,  
Central Bedfordshire Council and Luton Borough Council**

**July 2020**

**Purpose**

1. This Statement of Common Ground (SoCG) has been agreed between Central Bedfordshire Council, North Hertfordshire District Council and Luton Borough Council in relation to the North Hertfordshire and Central Bedfordshire Local Plan Examinations.
2. It has been prepared in response to a joint letter (dated 8 July 2020) written to both Central Bedfordshire and North Hertfordshire Council's, from their respective Inspectors, concerning the 2018 Household Projections and Luton's unmet need, which seeks the preparation of a SoCG at paragraph 7.
3. CBC and NHDC have also individually provided further views on these figures, and the questions raised, in their own responses to this letter, in relation to their respective Examinations.

**2018 Household Projections**

4. The Luton Local Plan (2011-2031) was adopted in November 2017. It is based on an objectively assessed housing need (OAN) for the borough of 17,800 net additional dwellings (890 per annum). The Luton Local Plan makes provision for 8,500 homes over the plan period within the administrative area. Luton, therefore, has an unmet housing need of 9,300 net additional dwellings over the plan period (465 per annum).
5. The status of the Luton Local Plan, as an adopted plan, is such that the housing need identified for Luton has been independently examined and is set in the statutory Development Plan for the Borough.
6. However, ORS, as requested by all three authorities, have indicatively modelled several scenarios. These suggest that, in the event Luton's OAN was formally reassessed under the provisions of the 2012 NPPF, a revised figure of approximately 16,700 homes is the most robust figure at this level of analysis and based on the methodology previously accepted by the Inspector examining the Luton Local Plan.
7. CBC, NHDC and LBC are all agreed that the indicative revised figures which represent a 6% difference do not represent a 'meaningful change' from those contained in the adopted Plan.

**Signed on behalf of Central Bedfordshire Council**


Name: **Councillor Kevin Collins**

Signature: 

Date: 05.08.2020

**Signed on behalf of North Hertfordshire District Council**

Name: Councillor Paul Clark

Signature: 

Date 05.08.2020

**Signed on behalf of Luton Borough Council**

Name: Councillor P. Castleman

Signature: 

Date: 05.08.2020