

North Hertfordshire District Local Plan Examination

11/17

Hearing Statement on behalf of Beechwood Homes

Matter 6



jb planning associates

Chells Manor, Chells Lane, Stevenage, Herts, SG2 7AA

e-mail info@jbplanning.com url www.jbplanning.com

tel 01438 312130 fax 01438 312131

Matter 6 - Hearing Statement

Introduction

- 1 This Hearing Statement has been produced on behalf of Beechwood Homes (Beechwood), which are the owners of the land identified as proposed allocation HT2 in the North Hertfordshire Proposed Submission Local Plan 2011-2031.
- 2 Beechwood welcomes the opportunity to engage with the examination process, especially in relation to Matter 6 – Deliverability (the housing trajectory, infrastructure and viability).
- 3 Below we set out our client’s brief responses to the Inspector’s questions relating to the housing trajectory:

6.1 Is the housing trajectory shown in Figure 6 of Section 5 of the Plan based on a realistic assessment of the likely timing of housing delivery? What evidence is there to support the completions shown for each year, and what assumptions have been made?

- 4 Beechwood considers that the housing trajectory shown in Figure 6 of the Plan presents an unduly pessimistic timescale for housing delivery.
- 5 It is noted that NHDC has identified the 5 year housing supply (5YLS) requirement as being 500 dwellings per annum (dpa) in the period 2011-21 and 1,100 dpa in the period 2021-31. The consequences of this being, that the annual 5YLS requirement figure more than doubles in just three and a half years’ time. This will have significant implications for the Council, particularly when a 20% buffer is then added. Furthermore, the following very low completion levels recorded against the 500 dpa housing requirement highlight poor recent delivery rates. Figure 6 fully demonstrates the necessity for housing delivery to be significantly increased.

Year	No. of Housing Completions	No. of Housing Completions against Annual Housing Target
2012	384	-116
2013	291	-209
2014	259	-241
2015	180	-320
2016	341	-159
	Total	-1,045

- 6** Beechwood consider that the District Council should seek to ensure that proposed allocated sites that are capable of delivering housing provision earlier than specified in 'Appendix 2 – North Hertfordshire Housing Trajectory – 1 April 2017' of the Housing and Green Belt background paper (HOU1) should be moved forward to be counted within the 5YLS, where appropriate evidence has been submitted to demonstrate this to be practical. In the case of our client's site (HT2), the envisaged delivery rates are shown as 34 dwellings in 2025 and 50 dwellings in 2026.
- 7** In our representations to the Submission Draft Local Plan we referred to the stated delivery rates set out in the Infrastructure Delivery Plan (Submission Document: T/1) which indicated that site HT2 would deliver 34 dwellings within the period 2022-26 and 50 dwellings between 2027-31.
- 8** Beechwood has submitted a Pre-app in respect of the site, and subject to satisfactory negotiations with NHDC on matters of detail, is keen to ensure that housing delivery on the site occurs ahead of the above mentioned timescales.
- 9** In relation to the proposed allocation figure of 84 dwellings, Beechwood considers that it can deliver the site in its entirety within 5 years of receiving planning permission.

10 In terms of demonstrating and maintaining a supply of specific deliverable sites sufficient to provide five years' worth of housing, sites that are fully capable of being brought forward for delivery from later on in the plan period, should be moved, and the Housing Trajectory and 5YLS amended accordingly. Boosting the 5YLS, particularly through the delivery of small and medium sized developments will provide greater choice and competition in the housing market, as well as ensure housing delivery is boosted. This being particularly important with regard to ensuring that overall housing rates do not fall whilst larger sized allocations are awaited to be brought on stream.

6.2 Is the level and distribution of housing and other development based on a sound assessment of infrastructure requirements and their deliverability, including expected sources of funding? In particular:

a) Does the Infrastructure Delivery Schedule at Appendix 1 of the Infrastructure Delivery Plan [TI1] represent a comprehensive list of the infrastructure needed to facilitate the successful delivery of the housing and other development planned?

11 We consider that the Infrastructure Delivery Plan does indeed identify a comprehensive list of infrastructure improvements, particularly in respect of Hitchin. These are primarily transport related, and mainly appertain to a variety of junction improvements and measures to boost sustainable travel.

12 Given the fact that our client's site (HT2) will deliver less than 100 dwellings, it is not dependent upon the provision of any significant element of the specified infrastructure and any demands on infrastructure can be met at the planning application stage through appropriate Section 106 obligations and CIL contributions once they are in place.

b) What reassurances are there that these elements can and will be delivered when and where they are needed?

13 Inevitably, there will often be uncertainty regarding the precise timescales for delivering specific infrastructure, particularly where this will be dependent upon

pooling CIL and/or S.106 contributions from a number of developments. In respect of Hitchin, the general nature of many of the infrastructure elements listed means that site delivery will not be dependent upon the provision of any single showstopper pieces of infrastructure. Indeed, it is noteworthy that general footway improvements across Hitchin to improve pedestrian links to industrial areas are costed at only £20,000.

- 14 The Council will be aware of the content of the PPG regarding the delivery of individual infrastructure projects (paragraph: 100 Reference ID: 25-100-20140612):

“Individual projects on the charging authority’s list of infrastructure that it proposes to fund from the levy (commonly known as a ‘Regulation 123 list’ in reference to the relevant levy regulation) cannot be funded by s106 contributions.

Contributions may be pooled from up to 5 separate planning obligations for a specific item of infrastructure (eg a local school) that is not included on the charging authority’s infrastructure.

Site-specific contributions like this should only be sought through planning obligations where this can be justified with reference to the underpinning evidence on infrastructure planning that was presented at the charging schedule examination”.

- c) Where, when and how will the infrastructure required as a result of the housing and other development planned for be delivered?**

- 15 This question is considered to be more pertinent with regard to key infrastructure provision, particularly where site delivery is dependent upon it first occurring. In instances where new infrastructure is needed to address the cumulative effects of new residential developments arising from developments across a whole town, the issue of where, when and how it will actually be provided, is difficult to accurately predict. The faster developments are able to be brought forward, the faster S.106 and CIL contributions will be collected to pay for its implementation.

d) Does the Plan do all it should to help ensure the delivery of the necessary infrastructure?

- 16 The delivery of the required infrastructure can be speeded up by ensuring that small and medium sites that are capable of being delivered earlier than the dates specified in the housing trajectory, are fast tracked forward. In doing so, monies will be accrued earlier to fund faster infrastructure delivery.

6.3 Is the economic and housing development set out in Policies SP3 (employment), SP4 (retail floorspace), SP8 (housing), and are the proposed land allocations for these uses, financially viable? In particular:

a) are the viability assessments in the Local Plan Viability Assessment - Update (August 2016) [TI2] sufficiently robust and are they based on reasonable assumptions?

b) do the viability assessments adequately reflect the nature and circumstances of the proposed allocations?

- 17 We consider that Viability Assessments generally are only likely to be able to provide a fairly broad brush picture regarding overall viability, as inevitably they tend to focus upon particular key known costs. Such costings may only be applicable at the particular point in time that they are produced. The greater the length of time that elapses, thereafter, the greater the scope there is for their findings to become less accurate. There is also scope for even recent Viability Assessments to quickly become inaccurate if significant new unforeseen costs or changes in economic circumstances suddenly occur.

- 18 More importantly, it is often difficult for Local Plan Viability Assessments to fully take account of and reflect site-specific costings, which may in some cases be very significant.

c) has the cost of the full range of expected requirements on new development been taken into account, including those arising through policies in the Plan (for example, in relation to affordable housing and the site-specific policy requirements)?

19 It is not evident that site-specific policy requirements have been costed. In our representations in respect of the Submission Draft Local Plan we suggested that Policy SP7 (Infrastructure requirements and developer contributions) should be worded more flexibly, and also be amended to acknowledge the need for compliance with CIL Regulations 122 and 123 in order to address the issue of viability .

d) does the evidence demonstrate that such costs would not threaten the delivery of the development planned for and the sites proposed?

20 Our client is confident that housing delivery on site HT2 is financially viable, allowing for the policy contribution requirements currently specified. However, it is important that NHDC takes a flexible approach to ensure that site-specific cost requirements are not allowed to make sites unviable.

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planning associates

Chells Manor, Chells Lane, Stevenage, Herts, SG2 7AA
e-mail info@jbplanning.com url www.jbplanning.com
tel 01438 312130 fax 01438 312131