

For and on behalf of  
**Welbeck Strategic Land IV LLP (“Welbeck”)**  
**(ID: 16711)**

**Updated Schedule of Further Matters, Issues and Questions  
Matter 22  
North Hertfordshire Local Plan 2011 – 2031 Examination**

**Housing Land Supply**

**Prepared by  
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Strategic Planning & Research Unit

North Hertfordshire Local Plan Examination  
Matter 22 Hearing Statement  
On behalf of Welbeck Strategic Land ID 16711  
September 2020

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## **1.0 INTRODUCTION**

- 1.1 This response to the Inspector's Updated Schedule of Further Matters, Issues and Questions (August 2020) in respect of the North Hertfordshire Local Plan 2011 – 2031 Examination has been prepared by the Strategic Planning Research Unit ('SPRU') of DLP Planning Ltd.
- 1.2 This Statement addresses the calculation of five year supply and the housing requirement to be met within the plan period in the context of the NPPF2012 and relevant soundness tests.
- 1.3 SPRU has been instructed to appear at the Rearranged Additional Hearings for the North Hertfordshire Local Plan Examination on behalf of Welbeck Strategic Land IV LLP ("Welbeck") (ID: 16711).
- 1.4 Our client's specific interests comprise proposed site allocation WY1 Little Wymondley as contained in the Council's submission version Local Plan
- 1.5 The Council has proposed to alter the boundary of the Green Belt at Little Wymondley in order to permit development in a sustainable location, of an appropriate scale, and necessary to provide housing delivery early in the plan period.
- 1.6 Since the commencement of the Examination, Welbeck has acquired the rights to promote the site. Welbeck has retained the previous promoter's consultant team and has commissioned further work to determine a suitable form of site development that will secure the provision of the allocated dwellings. This builds on earlier work carried out by the previous promoter which was subject to two pre-application submissions to the Council. Welbeck has engaged further with the Council and on their advice has submitted its own request for pre-application advice.
- 1.7 The Council's evidence base on relevant strategic priorities including housing need and release of land from the Green Belt provides support for the opportunities identified in order to provide for sustainable development at Little Wymondley.
- 1.8 DLP/SPRU have previously made submissions to previous rounds of consultation as part of the Local Plan process as well as participating in the 2017 Hearing Sessions. This statement should be read in conjunction with all previous contributions.

## 2.0 MATTER 22 - HOUSING LAND SUPPLY

### Q22.1) Issue 1 - The overall supply of land for housing

#### a) **Is reducing the overall housing requirement to 13,000 and undertaking an early review of the Local Plan, the most appropriate way forward? If not, why not?**

- 2.1 As highlighted in our matter 21 MIQs there are a number of issues arising from the low rates of delivery in the past decade which are a substantial step down from those earlier in the plan period and the intercensal period.
- 2.2 In these circumstances it is important that, even if the lower level of requirement is selected, these dwellings are delivered as early as possible in the plan period so as to address the obvious level of high demand and at least mitigate to an extent further rises in the affordability ratio.
- 2.3 The analysis of the present supply below highlights the need for the types of site that can quickly come forward in the first five years of the plan to address immediate need but also larger strategic sites to provide a “backbone” of future supply making further plan reviews somewhat easier as the strategy is established in this plan.
- 2.4 If it is not possible to establish the range of strategic sites at the present time, then it is important that any early review makes it clear what is to be reviewed. For example this district has a considerable amount of land in the Green Belt and any review policy should make it explicit that the early review will include the consideration of additional sites within the Green Belt as part of the review process This is not to suggest that there will necessarily be further Green Belt release simply that such additional releases should not be ruled out on the basis that this plan has undertaken a Green Belt review.
- 2.5 The Council first clearly acknowledged via the preparation of Examination Document ED178 that constraints to the length of the plan period and the examination of the plan under transitional arrangements leave it unable achieve the required boost to supply or address requirements in full during the plan period. Notwithstanding the Council’s now proposed reduction in the housing requirement (to an equivalent **575dpa** associated with needs in North Hertfordshire) the fact remains that upon adoption it will remain unable to meet this annual level of need.
- 2.6 The proposed reduction in the requirement does not affect the mathematical approach that the Council seeks to rely upon in terms of a ‘three-step’ requirement in the trajectory coupled with the proposed use of the Liverpool method. Upon adoption, the proposed reduction in the annual requirement serves no purpose to increase the ability of the Council to meet needs in full over the plan period. The ‘second step’ in the proposed trajectory in ED191B remains the same as that set out in ED178 (Paper B) (500dpa). This is below the OAHN of 575dpa as identified by the Council (without taking account of the annualised housing requirement including unmet need from Luton of 650dpa).
- 2.7 The effect of the proposed reduction in the requirement in to reduce ‘step 3’ of the proposed trajectory from 1250dpa (ED178) to 1120dpa (ED191B). As part of introducing its proposed approach in ED178 the Council had rejected that there was any meaningful change in the evidence base to assess housing need but nonetheless proposed a reduction in the requirement (to 14,000 dwellings) on the basis on realistic assumptions for housing delivery. In publishing ED178 the Council failed to provide robust evidence to support its revised assessment of delivery and this was acknowledged by the Inspector.
- 2.8 While we dispute the Council’s more recent conclusion that the 2018-based household projections do indicate an overall reduction in housing need the proposed reduction in

the housing requirement appears most relevant as a further acknowledgement of constraints to the delivery of capacity identified in the trajectory within the plan period. This is not in itself a sound basis for the reduction.

- 2.9 Incorporation of 'step 3' of the trajectory from 2024/25 does result in a marginal reduction in calculation of the five-year requirement compared to ED178 upon adoption of the Plan. However, the main implication is that the proposed reduction in the requirement (and resulting accusation that the Council can demonstrate a 'buffer' in addition to the OAHN) is effectively back-loaded to the end of the plan period.
- 2.10 Notwithstanding our reservations expressed in this Statement regarding the Council's assumptions for delivery in the revised trajectory it is clear that the reduction in the requirement is of no material benefit to illustrating that a significantly greater proportion of needs will be met prior to undertaking an early review of the Local Plan. To illustrate, the revised trajectory in ED191B anticipates delivery of a total 5523 units in the period 2011/12 to 2023/24 – equivalent to 65% of the annualised requirement. The same trajectory would reflect delivery of only 53% of the annualised requirement based on Policy SP8 of the submission version Local Plan. Both levels of performance represent the continuation of significant underperformance against delivery of the Council's own assessment of housing need.
- 2.11 While we endorse the requirement for early review it is not considered that this should be coupled with a reduction in the overall requirement, particularly as the Council's conclusions regarding a reduction in overall housing need are not soundly based. The proposed reduction in the requirement effectively risks undermining the Council's ability to (as far as possible and consistent with the objectives of sustainable development) deliver a significant boost to the supply of housing upon adoption. As an absolute minimum this requires continued support for all proposed allocations identified in the submission version Local Plan (including our client's land in Little Wymondley) together with further prioritising the early delivery of sites where feasible and appropriate.
- 2.12 In terms of undertaking an early review of the Local Plan, whilst this is supported, there is no guarantee that NHDC will be able to produce a plan that delivers the much higher housing requirement as required by the NPPF2019 as it was incapable of delivering a plan to meet the lower requirement calculated under the NPPF2012. This reinforces the case for exceptional circumstances for the amendment of Green Belt boundaries for suitable sites capable of delivery in the early part of the plan period. This is because based on the Council's own conclusions to support the submission version Local Plan sites identified in the early part of the trajectory have been fully considered in terms of their potential contribution towards the Plan's objectives. Conversely, in the context of any potential deletion of proposed site allocations, adverse impacts on the consequences for sustainable must be considered in terms of uncertainties associated with the Local Plan Review together with a further delay to meeting housing needs.
- 2.13 The Council states that it is seeking to avoid delays to measures in the Local Plan that will increase future delivery. This is to be welcomed insofar as this reinforces the Council's support for proposed allocations in the submission version Local Plan.
- 2.14 One clarification provided by the Council's most recent ED191B is that a specific proportion of the reduced requirement results from the inability to deliver Luton's unmet needs in full within the plan period. Furthermore, no contribution towards this requirement is expected to be delivered until 2023/24. While the Plan seeks to limit delivery towards Luton's requirements to those sites located in the Functional HMA Policy IMR1 as submitted remains unclear as to how the components of the requirements in the proposed 'stepped' trajectory relate to delivery of these unmet

needs. It seems apparent that any contribution must be contained in 'step 3' given the proposed trajectory for the 'East of Luton' sites. However, this does raise the question whether, that in terms of delivering Luton's overall unmet needs in full, part of the 'buffer' elsewhere in the trajectory should not be considered to make up the 1,950 dwelling total.

**b) If the housing requirement should be modified to 13,000 dwellings, should the supply of housing sites proposed in the Local Plan also be reduced? If so, how?**

2.15 No. We have identified the negative implications of low levels of completions in the past decade and this should not be replicated. For the reasons outlined, and particularly given the profile of the Council's proposed stepped trajectory, any proposed reduction in the supply of housing sites is likely to compound the challenge for the Council in achieving a significant boost to rates of delivery.

2.16 While demand is clearly front loaded (see the affordability ratio) it is acknowledged that sites 'backloaded' within the trajectory (and where it is not possible to bring these forward sooner) could in principle be reduced from the total supply and this would have no effect on total delivery in the plan period prior to undertaking an early review. Equally, adopting more realistic assumptions for these sites (in terms of lead-in timescales and delivery rates) would simply lead to a reduction in the perceived scale of the 'buffer'.

2.17 It is important to stress that there is no reasonable prospect of this buffer actually being achieved until towards the latter end of the plan period; The Council's scenario 1 (annualised requirement 650dpa) does not indicate a surplus against the 13,000 total until 2027/28. It is not appropriate to reduce the supply of sites in the context of this substantial uncertainty regarding whether even the Council's reduced assessment of need can actually be met in full - or ultimately where any delivery of a surplus exists only after a Review of the Local Plan is expected to be completed.

**c) Is a 'buffer' of around 13% an appropriate approach? If not, why not?**

2.18 For the reasons outlined we reject both the Council's reduced assessment of housing need together with the Council's forecasts for delivery in ED191B which must be taken together to understand the apparent existence of a 13% buffer. We consider that any buffer is in effect only the result of a mathematical 'slight of hand' in terms of the management of the proposed housing trajectory and that it will evaporate entirely should the Council not sustain completions in excess of 1,000 units per annum.

**d) If there is a 'buffer' of around 13%, do the exceptional circumstances required for the 'release' of land from the Green Belt for housing development exist?**

*Note: this question relates solely and explicitly to the effect of introducing a 'buffer' of housing land supply on the existence or otherwise of exceptional circumstances – responses must address this point only, as the wider question of exceptional circumstances has already been explored at length through the examination.*

2.19 There is only a buffer towards the end of the plan period where higher levels of completions are projected. To deliver housing to meet needs now and address the high affordability issues in the district sites are required to be released early in the plan period. This requires sustainable appropriately sized sites that can be brought forward immediately for development. As the council have demonstrated through their site selection process some of these sites will be in the Green Belt. This ability to deliver sustainable locations to meet existing need is we would argue part of the exceptional circumstances for some Green Belt sites.

2.20 The perceived existence of a 13% buffer, which we in any event dispute on the basis of



the Council's assessment of need and forecasts for delivery, does not affect the fact that exceptional circumstances are demonstrated to support the release of sites identified in the submission version Local Plan from the Green Belt.

- 2.21 Paragraphs 27 to 32 of the Council's ED191B do provide a reasonable partial summary of reasons that the identification of a buffer remains appropriate and consistent with its case for exceptional circumstances. It should be noted that the question of a 'buffer' being demonstrated over and above the housing requirement proposed by the Council was similarly relevant following its response in ED178, which proposed a reduction to 14,000 units based on its assumptions for a 'realistic' level of housing delivery.
- 2.22 The Inspector's ED190 raises the judgment in *Aireborough Neighbourhood Development Forum v Leeds City Council* [2020] EWHC45 (Admin) in the context of exceptional circumstances. Further to North Hertfordshire District Council's response on this matter, it is important to emphasise that Paragraph 131 of the *Leeds* judgment clearly sets out:
- "There are undoubtedly advantages in spreading GB release across the whole area and in having a variety of sites in different locations and with different characteristics in terms of speed of delivery and range of housing choice."*
- 2.23 The Council has given reasons to clearly highlight these advantages, but they also need to be considered in terms of soundness concerns with the Council's proposed housing trajectory and approach towards managing supply. It is apparent that the Council is specifically reliant on a range and choice of sites early in the plan period following adoption to deliver even its 'step 2' annual requirement in the trajectory (500dpa).
- 2.24 Clearly, this is below even the Council's revised assessment of annualised OAHN and substantially below the figure we consider would reflect full the full need for housing.
- 2.25 To illustrate this, there are 40 entries identified in the Council's proposed trajectory expected to comprise total delivery of 622 units in the 2022/23 monitoring year. This rises to 54 entries in 2023/24 (with a forecast delivery of 1183 units). The entries for these years comprise a range of extant commitments and, importantly, allocations proposed in the submission Local Plan.
- 2.26 Conversely, the Council forecasts 1171 completions in 2029/30 from only 18 sites. This shows the reliance on a small number of large sites later in the trajectory and by implication that only a small reduction in forecast supply from these entries would effectively negate the perceived buffer.
- 2.27 Under these circumstances it would be prudent to acknowledge potential issues associated with high cumulative rates of delivery from a small number of sites, given the limited track record in the district of bringing forward multiple strategic sites concurrently. While this is not explicitly acknowledged in the Council's evidence base the proposed strategy in terms of providing for a range and choice of sites earlier in the plan period is consistent with mitigating these risks.
- 2.28 As per the Council's response in ED19B its reasons therefore make clear the potential adverse consequences sustainable development (and thus soundness failings of the Plan) that would result from further risks to supply in the early part of the plan period. At least insofar as this relates to sites in the submission version Local Plan and in contrast to paragraph 114 of the *Leeds* judgment there is no failure of reasons in terms of site selection or the justification of exceptional circumstances for Green Belt release that support the Council's strategy.
- 2.29 This does not need to address the change in circumstances in relation to each individual



site but merely the approach being taken, which is clear from the Council's response in terms of the need for flexibility through allocations with scope for earlier delivery.

- 2.30 However, the Council's reasons appear to understate the risks to delivery later in the plan period and underplay that the trajectory in the years following adoption would fail to meet even its own reduced annualised assessment of housing need. In terms of the adverse consequences for sustainable development it is also the case that as the Council acknowledges even a small reduction in supply (or under-delivery against the forecast trajectory) would lead it to continue to face more stringent consequences as a result of the Housing Delivery Test. Under its own preferred 'Scenario 3' the Council suggests performance of 102% could be achieved in the 2023 HDT, but only a reduction of 251 completions would lead to performance of 85% (requiring a 20% buffer). This could in effect be confirmed to be the case if sites proposed for allocation were removed. A reduction in 401 forecast completions would lead to the presumption in favour of sustainable development being engaged based on paragraph 215 of the NPPF2019.
- 2.31 The issue for the Council and the soundness of the Plan is that in North Hertfordshire, as an authority substantially constrained by Green Belt, Modification of the strategy to reduce allocations (especially in the early part of the plan period) would not in all likelihood be capable of future remedy at the development management stage (i.e. through use of a 20% buffer or determining proposals in accordance with paragraph 11(d) of the Framework). The adverse consequences manifest in terms of continued constraints on the distribution of growth to sustainable settlements and low rates of delivery would fail to be addressed at least until the next review of the Plan. It is therefore entirely appropriate that the Council's case for exceptional circumstances remains sound notwithstanding the perceived 13% buffer which in any event has no effect on delivery towards requirements immediately following adoption of the Plan.
- 2.32 Insofar as the delivery of large strategic sites remains a component of the Council's overall spatial strategy it is also the case that benefits arise from the delivery of a greater proportion of needs from other small and medium allocations earlier in the plan period. This complements the overall approach to provide for sustainable development by offering a somewhat longer horizon to profile the delivery of strategic sites and address the accumulated shortfall in supply; this would obviously be greater without the benefit of delivery from other allocations.

## Q22.2) Issue 2 – The five year housing land supply

### a) Are the Council's calculations correct/accurate?

- 3.1 In our assessment the Council's calculations are correct from a mathematical perspective and we have prepared 'rolling trajectories' to replicate all three scenarios provided in ED191B (together with use of the Liverpool and Sedgefield approaches to managing shortfall). Clearly, it is the case that the accuracy of the calculations is dependent on the robustness of the Council's revised trajectory in ED191B. Contrary to its previous in response to ED178 (associated with a general assertion of realistic levels of housing delivery) the most recent calculations are determined by assumptions of forecast delivery from specific sites.
- 3.2 This helpfully makes clear the contribution of a substantially greater range of extant commitments and proposed allocations to meet requirements in the early years of the plan period following adoption. While we consider the accuracy of these forecasts to be relatively more reliable in terms of likely completions some account needs to be taken of the Council's track record of over-optimism in forecasting annual output.
- 3.3 Conversely, for certain sites including the proposed allocation of our client's land at **WY1** it is considered that first completions in 2024/25 make assumptions that are excessive in terms of the expected lead-in timescales for development.
- 3.4 In later years of the plan period, such as the calculation of land supply from 1 April 2024 where delivery of over 7,000 units in the five-year period is anticipated to arise from activity on an average of only 26 sites per annum we consider that the Council's calculations will inevitably prove unrealistic and thus inaccurate.
- 3.5 In terms of the resulting calculations of Housing Land Supply we have prepared scenarios that take account of the potential impact of these uncertainties within the Council's trajectory. This is based on reviewing all sites of proposed allocation comprising 200 or more units.
- 3.6 This involves a pragmatic approach as taking account of the Council's most recent evidence and updated trajectory as we have not adjusted assumptions regarding proposed start dates, albeit in many cases these appear unduly optimistic (typically 3-4 years allowed rather than averages of 7 or more years regularly identified in research).
- 3.7 In terms of delivery rates, the Council's ED191B states that assumptions broadly accord with those adopted in the Lichfields *Start to Finish* Report. However, we have established that on all large strategic sites peak forecast levels of output exceed the average for similarly sized sites. The specific averages have therefore been applied in place of the Council's assumptions, with pro-rata adjustments for part-years' delivery in accordance with the trajectory in ED191B. The impact of these limited changes to large sites results in a deduction of **-1327 units** compared to the ED191B trajectory. This reduces total forecast deliver to **13,229 units**; a buffer of only 1.8%.
- 3.8 Due to the focus on the accuracy of forecasts for large strategic sites these adjustments have a relatively modest impact in the calculation of five year supply upon adoption of the Plan.
- 3.9 To further ameliorate this impact, we have amended the date for first completions on our client's site at **WY1** to correspond with delivery in the 2023/24 monitoring year. This reflects that pre-application advice has already been sought, with a view to Outline permission being granted in 2021 and Reserved Matters approval during 2022. This is a potentially conservative estimate and given the circumstances of the Plan and recent

constraints on housing delivery it would be expected that the Council would encourage more ambitious timescales to bring sites forward.

3.10 With these adjustments to the trajectory incorporated the Council would be able to demonstrate a five year supply upon adoption under its own approach to 'Scenario 3'. Comparison with calculations under alternative approaches is considered below under Q22.2(c).

**b) All of the approaches used by the Council assume that the buffer required by paragraph 47 of the NPPF should be 20% - that is to say, that there has been a record of persistent underdelivery of housing in the District. Has there been, such that the 20% buffer is the most appropriate?**

3.11 It is clear that the Council has a poor track record in forecasting delivery and an immediate uplift in supply is required to meet full housing needs.

3.12 Whereas in the Council's previous response under ED178 it appeared to have failed to take account of the role of the Housing Delivery Test in terms of determining the buffer to be applied this has been rectified in its most recent response. By the Council's own calculations, and even under its own preferred 'Scenario 3' performance will remain under 85% until at least the results of the 2021 Housing Delivery Test are published.

3.13 Considering the requirements of the NPPF2012 and guidance applicable to the Examination under the transitional arrangements there can equally be no doubt of a record of persistent underdelivery in the district. As set out in the Council's own response in ED191A lower levels of housing delivery are a main factor in lower projections of population growth in the 2018-based projections.

3.14 Even in terms of the most recent 2019/20 monitoring year Appendix A to the Council's ED191B confirms that only 318 completions were delivered (21% lower than predicted in December 2019). Given this level of output is almost identical to the average since 2011/12 (312 per annum; 48% of the proposed annualised requirement (650dpa)) there is no case to argue that under-delivery has been anything other than significant and persistent.

3.15 In the context of the Council's proposed spatial strategy the role and effect of the 20% buffer – defined in national policy as bringing forward requirements from later in the plan period – is clearly appropriate. The Council's case for exceptional circumstances is consistent with the background of persistent underdelivery and requirement for a 20% buffer and the selection of sites that can provide a boost to supply upon adoption of the Plan. It is evident that a reduction in allocations of this type would in mathematical terms perpetuate findings of persistent underdelivery (whether measured under the requirements of the NPPF2012 or NPPF2019) as well as bringing into effect a strategy that precludes a meaningful response to undersupply upon adoption.

**c) Is the 'three-stepped approach' proposed by the Council the most appropriate method for setting the five year housing land requirement? If not, why not?**

3.16 These comments on the Council's proposed approach to the trajectory are without prejudice to our concerns regarding the identification of full objectively assessed housing needs.

3.17 It is the case that the proposal by NHDC is to invert the purpose of the five year supply calculation from a tool to secure 5 years' worth of deliverable sites to meet genuine housing need to a protection measure for a plan that seeks to seriously undersupply housing below the genuine housing need. Based on the proposed scale and distribution of growth identified in the submission version Local Plan the Council nonetheless

acknowledges that its proposed approach is a pre-requisite for conclusions on soundness, in terms of the ability to demonstrate a five year supply of housing upon adoption.

- 3.18 It is clear from the Council's position that a degree of pragmatism is required under any scenario or level of assessed need in order to conclude that a Five Year Supply can be achieved, even against the requirements of the NPPF2012 for assessing deliverability. Following application of the NPPF2019 definition of 'deliverable' upon adoption of the Plan it is likely that conclusions of the extent of forecast supply will be reduced.
- 3.19 Taken in this context even the Council's proposed approach under 'Scenario 3' amounts to a 'marginal' assessment of supply upon adoption of the plan (reliant on a potential surplus of between only 200 and 700 units in assessments on 1 April 2020 to 1 April 2022).
- 3.20 The Council proposes that the 'Liverpool' approach to managing shortfall should be adopted under its preferred 'Scenario 3'. This position appears unsupported by the evidence of the updated trajectory, as the results set out in Appendix C show that a five year supply would be maintained under either the Liverpool or Sedgefield approach.
- 3.21 One difference between the Council's proposed use of the Liverpool approach and a stepped trajectory in ED191B and ED178 arises due to the Council's conclusions on the overall assessment of need. In ED178, having rejected that the 2016-based household projections represent a meaningful change, the Council's proposed approach was put forward in the context of fully acknowledging it would be unable to meet needs in full during the plan period. *If* the reduced housing requirement of 13,000 were accepted this criticism no longer applies and stepped approaches to the trajectory would not necessarily be in conflict with the guidance (post-dating the NPPF2012 regime) under ID: 68-021-20190722). However, this guidance also establishes that any such approach should not unnecessarily delay meeting needs and that support should be sought for the early delivery of priority sites.
- 3.22 In relation to addressing shortfalls against the planned requirement the most recent guidance also goes further than its predecessor (ID: ID: 3-035-20140306). This specifies support for the Sedgefield approach and states that where shortfalls cannot be addressed in the next five years the approach to bringing land forward should be reconsidered (ID: 68-031-20190722). In-part the Council's proposed strategy seeks this through the delivery of a number of small and medium sized allocations early in the plan period.
- 3.23 The guidance in relation to managing shortfalls and adopting stepped trajectories is a material consideration in assessing the Council's proposed approach. Given the outputs of the trajectory we suggest either:
- That the requirement in 'Step 2' is increased to 575dpa, avoiding further unnecessary delay to meeting the minimum annualised OAHN for North Hertfordshire; or
  - If the annual requirement under 'Step 2' is unchanged (500dpa) then the Sedgefield approach must be adopted to address accumulated shortfall. This is on the basis of the Council acknowledging it is unable to meet the annualised OAHN upon adoption of the Plan.
- 3.24 In practice the effect of either of these alternative measures will be similar and will emphasise the importance of achieving a significant boost to supply upon adoption of the Plan. The requirement for either measure further reinforces the Council's position

that exceptional circumstances remain demonstrated for sites proposed for allocation in the submission version Local Plan, including our client’s land at WY1 Little Wymondley.

3.25 It is accepted that under the Council’s forecast supply both measures import a small degree of additional risk in terms of the ability to demonstrate a Five Year Supply of deliverable sites. Tables 1 and 2 below compare the Council’s own “Scenario 3” (Sedgefield approach) and our amended ‘Scenario 4’ using the Council’s OAHN for North Hertfordshire as ‘Step 2’ in the trajectory:

**Table 1. NHDC Scenario 3 ‘Sedgefield Approach’**

	2019/20	2020/21	2021/22	2022/23	2023/24
Five-Year Requirement (20% buffer)	3185	4147	4931	5750	6348
Supply (5yrs)	3027	4146	5183	6208	6931
Supply vs. Requirement	4.75	5.00	5.26	5.40	5.46

**Table 2. SPRU Scenario 4 (575dpa ‘Step 2’, ‘Liverpool Approach’)**

	2019/20	2020/21	2021/22	2022/23	2023/24
Five-Year Requirement (20% buffer)	3332	4238	4926	5652	6270
Supply (5yrs)	3027	4146	5183	6208	6931
Supply vs. Requirement	4.54	4.89	5.26	5.49	5.53

3.26 While it is acknowledged that the calculation at 1 April 2020 results in a marginal deficit under the ‘Scenario 4’ approach it should be noted that over six-months of this monitoring year has already elapsed with the presumption in favour of sustainable development engaged based on the 2019 HDT Result. A five-year supply would be demonstrated from 1 April 2021, using the Council’s own forecast supply.

3.27 The SPRU ‘Scenario 4’ approach is preferred as an approach if the ‘stepped’ trajectory is indeed considered sound. This seeks to ensure that the annualised OAHN is provided for as part of the housing requirement in the Plan upon adoption, which is a position supported by the Council’s own strategy and proposed allocation of sites early in the plan period. The increased requirement under ‘Step 2’ also potentially allow the Council greater latitude to state whether any delivery forecast during the stage of the stepped trajectory (i.e. 2020/21 to 2023/24) should be considered to contribute towards unmet needs from Luton. This is presently unspecified in the Council’s proposed approach to Modifications required (including as part of Policy IMR1).

3.28 In terms of potential adjustments to the trajectory, use of the Sedgefield method within ‘Scenario 3’ would result in marginal calculations of supply. The outcome would be similar under our ‘Scenario 4’ based on meeting the annualised OAHN at ‘Step 2’ (see Tables 3 and 4 below). In all cases the results emphasise the importance of early delivery of proposed small and medium allocations in the submission Local Plan. It should be noted that the minimal nature of any deficit against the five-year requirement



would be a material consideration for decision-taking and may be capable of remedy through a positive approach to increasing rates of delivery elsewhere.

**Table 3. NHDC Scenario 3 ‘Sedgefield Approach’ – SPRU Adjusted Trajectory**

	2019/20	2020/21	2021/22	2022/23	2023/24
Five-Year Requirement (20% buffer)	3185	4147	4931	5750	6312
Supply (5yrs)	2975	3966	4831	5673	6223
Supply vs. Requirement	4.67	4.78	4.90	4.93	4.90

**Table 4. SPRU Scenario 4 (575dpa ‘Step 2’, ‘Liverpool Approach’) – SPRU Adjusted Trajectory**

	2019/20	2020/21	2021/22	2022/23	2023/24
Five-Year Requirement (20% buffer)	3332	4238	4926	5652	6248
Supply (5yrs)	2975	3966	4831	5673	6223
Supply vs. Requirement	4.46	4.68	4.90	5.02	4.96

**d) Is one of the other approaches to setting the five year housing land requirement explored in ED191B, or another approach entirely, more appropriate? If so, why, and:**

3.29 SPRU has previously indicated that alternative approaches to establishing the five-year requirement might be achieved in terms of re-basing the plan period to the base-date of the relevant projection used to assess OAHN. A stepped approach on such a basis should seek to ensure that the baseline demographic projections are used as the basis for the requirement prior to adoption, with any accumulated shortfall together with uplift for market signals and unmet needs from Luton apportioned in to be met in full over the later phases of the stepped trajectory. Such alternative scenarios are, however, contingent on conclusions regarding the assessment of housing need and beyond the scope of responses to this question.

**i. What should the Council do to ensure that it can demonstrate a five year supply of land for housing under this approach?**

3.30 Using the Council’s own forecast supply both the NHDC ‘Scenario 3’ incorporating annualised OAHN at Step 2 or use of the Sedgefield approach to shortfall under ‘Scenario 3’ there is no fundamental impact on the Council’s ability to demonstrate a five year supply. However, these adjustments do emphasise the importance of delivery of allocations proposed for development in the early part of the plan period in terms of avoiding unnecessary delays to meeting needs.

3.31 The Council’s ability to demonstrate a five year supply (including even under its own proposed approach to ‘Scenario 3’) is heavily reliant on prioritising delivery of these sites. In the case of our client’s land at WY1 – Little Wymondley this Statement explains that this can be achieved through an adjustment to the current assumptions within the



Council's proposed trajectory, adopting a positive approach to delivery of the site that anticipates first completions in 2022/23 rather than 2023/24 as currently drawn.

ii. **What would taking this approach mean for the progress of the Local Plan examination?**

- 3.32 Noting the Council's response and priority to get an up-to-date Local Plan in place this proposed approach would have no impact on the progress of the Local Plan. However, it is heavily contingent on the conclusions supporting the strategy and proposed allocation of sites in the Council's submission version Local Plan. The proposed approach seeks to emphasise the importance of meeting needs in full and supporting the early delivery of sites; it is entirely consistent with the Council's position on exceptional circumstances having been demonstrated and furthermore reflects that in terms of achieving a sound Local Plan any reduction in site allocations would be contrary to the objectives of sustainable development.

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