

<b>DATE OF STATEMENT</b>	<b>3 November 2017</b>
<b>EXAMINATION</b>	<b>North Hertfordshire Local Plan 2011-2031</b>
<b>MATTER 3</b>	<b>The housing strategy: the need for housing and the housing requirement (cont)</b>
<b>DATE/ SESSION WISH TO SPEAK</b>	<b>Tuesday 14 November - Afternoon session 2.00pm</b>
<b>FROM</b>	<b>Carolyn Cottier</b>
<b>TO</b>	<b>C/O Louise St John Howe (Programme Officer) Simon Berkeley BA MA MRTPI (Inspector) PO Services, PO Box 10965, Sudbury, Suffolk, CO10 3BF Tel: 07789-486419 E: louise@poservices.co.uk</b>

**What legal and procedural requirements of the Planning and Compulsory Purchase Act 2004 (as amended) and associated Regulations does the Plan fail to meet?**

**UNREASONABLE OVER-INFLATED HOUSING NEEDS**

Release of the Green Belt for development is only allowed where there is “reasonable need”. “Reasonable” would infer *accurate and genuine*.

North Herts District Council’s Strategic Housing Market Assessment form the entire basis for its claimed housing needs.

Therefore the statistics behind housing needs are the single most critical thing to ensure is correct.

Since this it uses as *whole basis* for its cited needs. As does Luton Borough Council, whose unmet needs flow over and become North Herts’ “Duty to Cooperate”.

Central Government does not instruct each council how to calculate its need. It is up to each council’s discretion as to many new dwellings they must build.

Each council commissions a Strategic Housing Market Assessment (SMHA). Whilst there are guidelines as to how to conduct a SHMA, a look at them will quickly reveal it only results in *a range of possible scenarios on an extremely wide spectrum*, rather than one fixed magic number that they would have you believe.

**THE EVIDENCE OF UNSOUNDNESS**

During a parliamentary debate hosted by Julian on 'Land Safeguarded for Development in Local Plans' back in 14 May 2014, Planning Minister, Nick Boles MP, strongly criticized local Authorities, like the City of York Council, who he said were unnecessarily setting aside greenbelt land for future long term development.

The Minister reiterated comments he had made previously, stating that: *“safeguarding is not a requirement for every local authority with greenbelt land. It is something that it can choose to do, but only if necessary.”*

The Planning Minister went on to say that: *“a vaulting ambition is not a sufficient justification for threatening protected land. Ambition and the desire to grow faster than one’s neighbours or perhaps to build a small empire is not a sufficient justification for putting protections at risk.”*

**Who within the Council has vaulting ambition and why?**

Both NHDC and LBC have over-inflated their housing needs.

**THE EVIDENCE OF INACCURACY**

In the North Hertfordshire SHMA – Household Projections and Dwelling Requirements dated 11th January 2013 twelve possible scenarios are calculated, ranging from need for just 5,500 dwellings to 15,800 dwellings.

**Yet in its Local Plan NHDC states it requires to build 20,031 dwellings. This figure is not even in the SHMA.**

**Why would NHDC take the highest estimate from the range that encompasses a very wide spectrum?**

Figure 12: Summary of 20 Year Dwelling Delivery Requirements for Each Scenario Scenario	Dwelling Delivery Requirement 2010-2030
Zero migration	<b>5,500</b>
Nil net migration	5,900

East of England Plan (excluding Stevenage growth):	6,200
Low-trend migration excluding Great Ashby	7,700
Mid-trend migration excluding Great Ashby	9,100
High-trend migration excluding Great Ashby	10,200
Jobs-led	10,700
Low-trend migration including Great Ashby	10,700
Mid-trend migration including Great Ashby	12,100
High-trend migration including Great Ashby	13,200
ONS / CLG 2008-based	14,600
East of England Plan (including Stevenage growth)	<b>15,800</b>

**Why then simply assume the highest end of the spectrum?  
Why also add on a further 4,331 to it?**

This is not to do with unmet housing need from neighbouring boroughs.

What if the neighbouring borough has also inflated its housing needs?

As I said In my original Objection Letter to the Local Plan's public consultation, Luton's Council Chief Hazel Simmons stressed the need to conduct another SMHA since she said the current one is inaccurate.

She said that the calculations are likely wrong. She was asking for another study to be undertaken.

Departure from the European Union is coming also and this will again change each and every one of the scenarios in the SHMA.

**There is no any longer accurate basis. There never was accurate basis.**

**There is no longer reasonable need.**

# Unreasonable figures = unreasonable need.

## THE EVIDENCE OF UNSOUNDNESS

One goal announced has been the reduction of net immigration from hundreds of thousands to tens of thousands.

We need to ask “how will that reduction be reflected in the Local Plan?”

It is especially relevant to Luton because its SHMA reflects all of the population growth is due to immigration, most especially from the EU:

### Summary of Key Points

The purpose of this paper is to assess the main drivers of Bedfordshire's housing markets.

Drivers of demand are considered as:

- Demographic
- Economic
- Need and Aspiration

#### Demographic

- Population in all districts is expected to rise and by 2029 over half of the population is expected to be people aged 60 yrs and over.
- All Districts except South Bedfordshire are expected to see a reduction of the proportion of the 30-50 year. age group. This effect is likely to be most severe in Luton.
- There is strong in-migration from London and other parts of the Eastern Region.
- There is out migration to other regions especially the East Midlands (Milton Keynes and East Northants).
- Within the sub-region Luton loses population to all other districts. Luton's incoming population is mostly from London and international migrants.
- Luton's net immigration is mostly from single person households. Bedford and Mid Bedfordshire has most net immigration of families with and without children.

#### Economic

- Net migration in-flows tend to be of the higher occupational groupings except for Luton where there is a net loss of most occupational groupings.
- In-migrants to Bedford and Mid Bedfordshire have significantly more income on average than out-migrants. In Luton and South Bedfordshire out-migrant households have higher average earning than in- migrant and all local households.

**The over-riding majority of them is influx coming from Poland:**

these workers tend to find skilled employment in the Construction Industry, and routine employment in the food, distribution, hospitality, retail sectors as well as parts of the service industries.

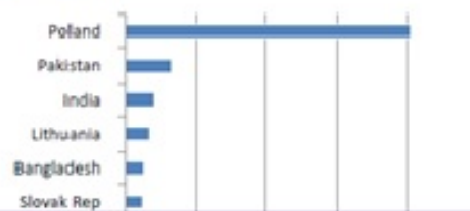
124. Figure 33 shows that in 2006/07 a total of 8,400 new National Insurance numbers to non-UK nationals were issued in the Bedfordshire and Luton sub-region. This group of workers represents around 2% of all people residing in the area. It should be noted that this figure does not include any dependents of the workers, but also does not exclude any migrant workers who have subsequently left the area. Again most registrations occurred in Luton.

Figure 33  
New National Insurance Registrations of Non-UK Nationals in Bedfordshire & Luton Sub-region 2006/07 by Local Authority (Source: DWP)

Local Authority	New NI Registrations of Non-UK Nationals
Bedford	2,120
Luton	5,380
Mid Bedfordshire	490
South Bedfordshire	400
<b>Total</b>	<b>8,390</b>

125. Figure 34 shows that nearly half of all new national insurance registrations in the Bedfordshire and Luton sub-region were issued to Polish nationals. This group therefore represents around 1% of the total population of the sub-region.

Figure 34  
New National Insurance Registrations of Non-UK Nationals in Bedfordshire & Luton Sub-region 2006/07 by Country of Origin (Source: DWP)



126. The Impact on the housing market is very hard to quantify. This is due to the fact that much of

Strategic Housing Market Assessment Paper 3 - Housing Market Trends.pdf - Adobe Reader

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125. Figure 34 shows that nearly half of all new national insurance registrations in the Bedfordshire and Luton sub-region were issued to Polish nationals. This group therefore represents around 1% of the total population of the sub-region.

126. The Impact on the housing market is very hard to quantify. This is due to the fact that much of the housing of these groups takes place in the informal housing market. The evidence for this is qualitative but highly visible. For example corner shops in areas of cheaper housing will display many cards advertising rooms to let written in Polish.

Figure 34  
New National Insurance Registrations of Non-UK Nationals in Bedfordshire & Luton Sub-region 2006/07 by Country of Origin (Source: DWP)

0 1,000 2,000 3,000 4,000 5,000

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This means that the 2,106 houses planned for “Luton’s Unmet Housing Need” upon the Green Belt land West of Cockernhoe, is unfounded also until the requested new SHMA study has been repeated as requested, and after Brexit.

Absolutely pivotal to North Herts SMHA were the previous twelve migration scenarios.

**The range in the North Herts SHMA is too wide a spectrum; ranging from 5,500 to 15,800 dwellings.**

**To simply assume the highest end is an unjustified selection.**

Why take the highest estimate when free movement of people between the UK and EU is likely ending within two years?

They have failed to take that into account. We know that some change will be happening.

The inspector must select one of the other reality-migration scenarios from the SHMA, which is more likely to align with that reality.

Then under it, there should be commitment only to a five year land supply of the non-Green Belt sites, and non-unmet needs sites.

Then the decision should be to order another SMHA be conducted after Brexit has taken place, once the pending immigration changes have been announced and trend changes have occurred.

No commitment should be made before that time, nor any claims of “reasonable need”.

**The clear evidence shows that Luton Council and NHDC are failing to measure the truth about unmet needs, that form their basis for requiring the East of Luton Strategic Site.**

However the optional elements of objectively assessed needs is a methodology, as the Housing Minister has warned, that has been exploited by councils.

DCLG predictions of course do not take into account the immigration reductions planned by Government, upon the departure of the European Union.

The Local Plan is inadequate, since it bases its stated needs only upon statistics that *already* do not apply. And an additional layer of obscurity is promised with the immigration reductions resultant from the ending free movement of people from the EU.

Therefore where is the adjustment mechanism in this Local Plan, to enable figures to remain accurate during and after those reductions to net immigration?

The Inspector needs to give various methods for adjustment, so NHDC can reduce/ adjust their housing needs accordingly to reflect truly in the future.

**The clear evidence shows that Luton Council and NHDC are failing to measure the East of Luton residential areas near their SP19 site, which has been strategically earmarked for development.**

Regarding the OAN figures.

The DCLG household projections on which they are based assume that the persons per household ratio will fall to 2.25.

There is no evidence for that.

The ONS states that it is 2.4 and has remained at that for a decade.

**This puts the DCLG figures (on which the NHDC OAN is based) 64% too high.**

**They were 84% too high over the past 8 years.**

Furthermore the DCLG figures do not make sense for they predict that 3.4 million house should be built up to 2031 BUT those house need to be just one and two bedroom types.

No developer would build those.

**Therefore it is undeliverable.**

**It also doesn't fit into the Plan's own 40 per cent affordable housing policy.**

**How are they measuring? There are 361 households leaving Luton annually!**

Since the overall quality of the area will be diminished, people currently living in Wigmore and East Luton are likely to migrate away. This is already happening in the town more generally.

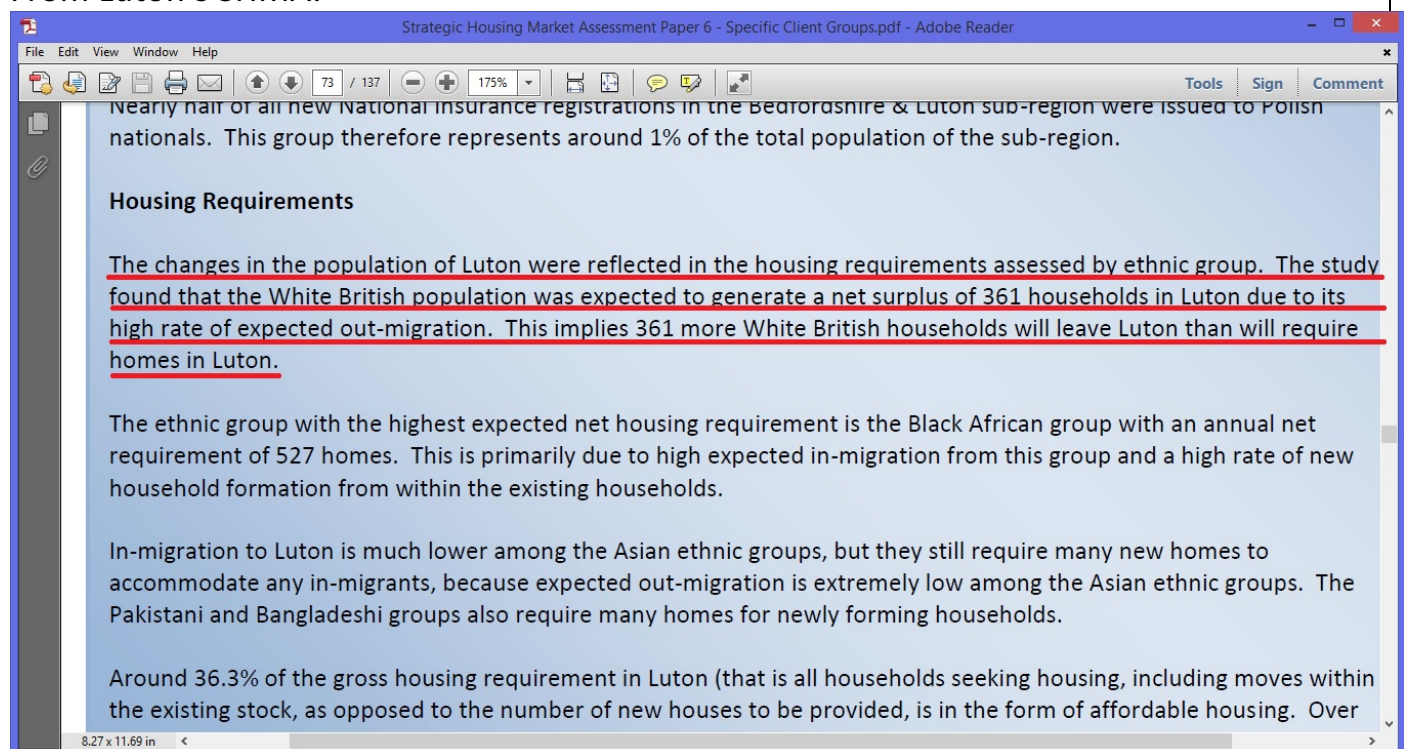
Since the area they love will no longer be bearable and will have lost all of the features that initially attracted them to living there.

I hear so many people talking about leaving since North Herts and Luton have colluded to create an unbearable environment.

Even those people who were born in the area and have lived there all of their lives, can't take it. The prospect of what is planned has arguably breached their human right to enjoy their possessions; in the form of their open greenspace.

It is sad that this is being forced upon the present population. They can't cope with it in their communities.

From Luton's SHMA:





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### HOUSING

## Too much

I have lived in Stopsley for  
58 years.

But when I retire, I don't  
want to spend it living in Luton.

I'm off to somewhere by the  
coast.

Over the years, the pace of  
life in Luton has got too fast for  
my liking.

My house overlooks lovely  
fields.

This is why we love living in  
Stopsley. But now they are try-  
ing to take all that away from  
us.

The last nail in the coffin is  
called The Crown Estate, 650,  
houses to be built near Cock-  
ernhoe, and Wigmore.

On one side we've got Hert-  
fordshire breathing down our  
necks. On the other side we've  
got Luton who are knocking  
on our door, or more like kick-  
ing it in.

What I don't understand  
is, do these building compa-  
nies wield so much power,  
that they can build on green  
belt land.

Our MPs should be fight-  
ing this. Oh, I forgot. They  
don't care either.

If this goes ahead. Stopsley  
will not be a place you would  
want to live in.

**John Tucker**

address supplied

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## NEW HOMES BONUS

The Inspector needs to check the following calculated figures on New Homes Bonus. Cllr Julian Cunningham, Executive for finance at NHDC should be able to provide additional reports and documents.

## NEW HOMES BONUS

The North Herts Local Plan says they need to build 15,014 houses.

However it is not clear whether the real figure is 20,031 if they include Stevenage.

The Inspector is asking them to clarify this.

But we at least know 15,014 according to the Local Plan, without Stevenage.

The New Homes Bonus (NHB)/ 6 years average Council tax is as follows then for NHDC:-

Obviously houses will be built across all CT band brackets. So there will be an average amount.

Of the six years New Home Bonus payment - 20% goes to the County Council and 80% goes to the District Council.

For the types of houses to be built in NH the average is £9,000 NHB per house.

Of that per dwelling:-

NHDC gets £7,200

Hertfordshire County Council gets £1,800

**So £7,200 multiplied by 108,100,800**

**That is nearly one hundred and one million pounds!**

20,031 dwellings multiplied by £7,200 = £144,223,200\*\* = NHDC portion of New Homes Bonus.

**Can it really be this much?**

**WHAT LENSE ARE THEY LOOKING THROUGH TO JUDGE; TRUE NEW HOMES STATISTICS OR NEW HOMES BONUS?**

My argument on Objectively Assessed Need (OAN) is as follows:-

Each household formed requires a house to live in.

Currently there are 1.2 million more houses in the UK than households i.e. empty houses. This is a historic high.

The rate of new household formation has averaged 152,000 in the UK over the period 2008 to 2016 (latest figures from the ONS). So 152,000 more house were needed per year.

**Q: The crux of this is that the Inspector would need to order some sort of review and recalculation of the SHMA, in the light of unknown future reductions to net immigration.**

If nothing changes we might expect this rate of building for the future.

However 2008 to 2016 was a period of high net immigration (average 250,000).

**With Brexit and a government commitment to bring net immigration down to 'tens of thousands' we might expect yearly net immigration of say 100,000.** That equates to 62,500 less houses at the average persons per house of 2.4 (steady for the last 10 years).

So the historic household creation figure drops from 152,000 by 62,500. Let's be generous and say we still need 100,000 new houses per year.

**So how many houses does that mean for North Herts?**

This figure of 100,000 for the UK build compares to the DCLG 2014 household projections of 253,000. In other words the **truer figure** is 40% of the DCLG prediction.

Now the DCLG prediction for North Herts is 13,000 so the truer figure is 40% of that; i.e. 5200.

**As 4340 house have already been built or have permission that leaves only 860 to be built up to 2031.**

**The difference is remarkable.**

If the same calculation were to be done on Luton I think you would find that Luton would have no unmet need and Cockernhoe etcetera would be spared.

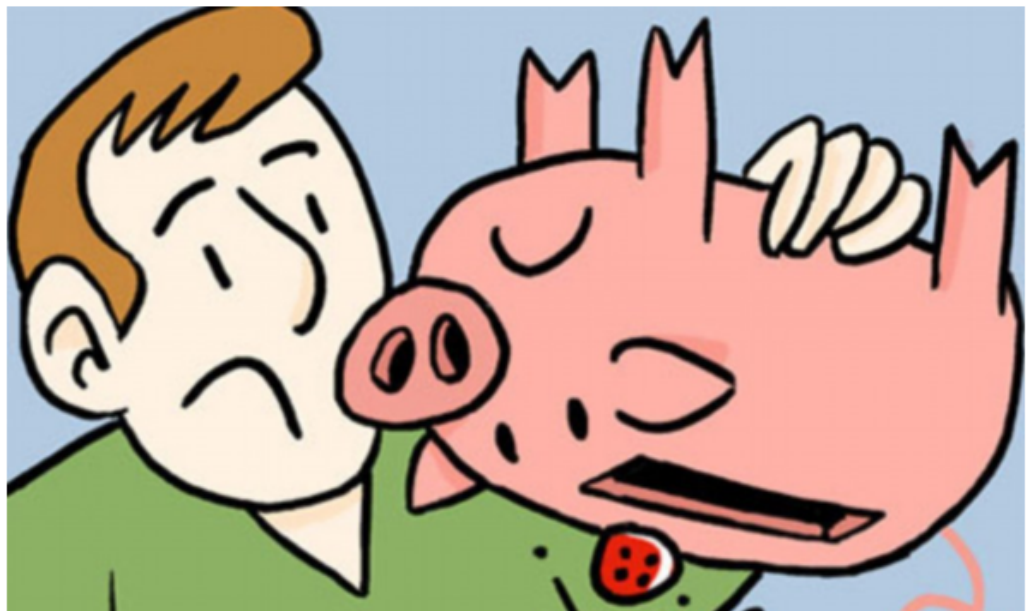
**It is not too late to change that.**



**“The Council continues to have a negative Capital Financing Requirement (CFR), due to the set-aside receipts it received from the housing stock transfer.”**

**- Statement by the Leader of the Council on the Budget for 2017/ 2018 – Council Meeting – 9 February 2016**

**As presented by Councillor L. Needham – Leader of the Council**



**“This is forecast to be at least negative £7.6 million at 31<sup>st</sup> March 2017, although may be higher depending on the rate to spend in delivering capital projects towards the end of the year.”**



**3. “Subject to any transfer of responsibilities or exceptional circumstances, the Council must plan on the basis that the annual settlement funding from Central Government will reduce drastically again in two years time, when the prospect of “negative RSG” becomes a reality...”**

**13. “We have allocated funding to provide housing. Alongside generating income for the Council, we will look at how this can be used to increase the supply of housing within North Herts. This will contribute towards the delivery of sustainable growth.””**

**Statement by Finance Portfolio Holder on  
Council Tax Estimates 2017/ 2018 – Council  
Meeting – 9 February 2017**

**Capital Accounts**

**“The Council continues to have a negative  
Capital Financing Requirement (CFR), due to  
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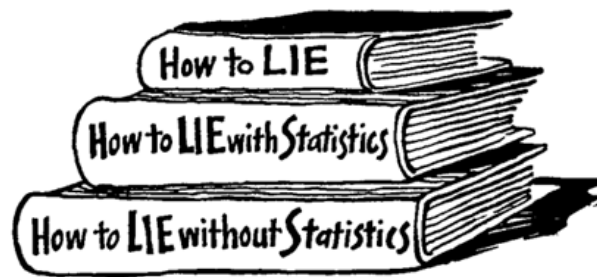


**Statement by Finance Portfolio Holder on  
Council Tax Estimates 2017/ 2018 – Council  
Meeting – 9 February 2017**

**Capital Accounts**

**“New Homes Bonus is also a significant element of the Council’s funding. The provisional Local Government Finance settlement, announced on 15 December 2016, introduced a baseline growth in New Homes of 0.4%, with New Homes Bonus only to be paid on growth in dwellings above this level. For NHDC, the 0.4% baseline is equivalent to around 230 new homes per year. The previous forecast assumed some reduction in relation to a baseline or dead-weight, but not to this extent. As a result, the published allocation for 2017/18 is nearly £0.2 million less than previously anticipated and this increases each year, with total income expected to be received over four years to 2020/21 reduced by approximately £1.6 million from £7.2million to £5.6million. Positive progress with the Local Plan remains imperative to ensure that the Council is eligible to receive New Homes Bonus payments from 2018/19, when any payment would be dependent on having an adopted Local Plan.”**





There are very serious question marks hanging over how many houses they say they need to build.

All councils have to do a Strategic Housing Market Assessment (SHMA) to justify their needs.

The Planning Minister went on to say that:

***“a vaulting ambition is not a sufficient justification for threatening protected land. Ambition and the desire to grow faster than one’s neighbours or perhaps to build a small empire is not a sufficient justification for putting protections at risk.”***



**We believe they are on shaky ground, that their plan is unsound in the most basic way. It can easily be proven. 87 per cent of all the development is on the Green Belt. This is unjustifiably high, irrational and out of line with the National Planning Policy Framework.**



**“Positive progress with the Local Plan remains imperative to ensure that the Council is eligible to receive New Homes Bonus payments from 2018/19, when any payment would be dependent on having an adopted Local Plan.”**

**Statement by Finance Portfolio Holder on Council Tax Estimates 2017/ 2018 – NHDC Council Meeting – 9 February 2017 - Capital Accounts**



There are guidelines as to how to conduct a SHMA.

But it doesn't result in one fixed **magic number** as they would have you believe.

In the North Hertfordshire SHMA – Household Projections and Dwelling Requirements dated 11th January 2013, it gives **twelve possible scenarios**.

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Projections for annual household growth according to DCLG statistics is **270,000** across the whole country.

According to the ACTUAL STATISTICS HOWEVER FROM 1996 TO 2016 THE AVERAGE HOUSEHOLD GROWTH WAS ONLY

**152,000** OVER THE WHOLE OF THE UK

DCLG FIGURES  
(DIDN'T HAPPEN)  
270,000

VERSUS

ACTUAL ONS STATISTICS  
(DID HAPPEN)  
152,000

**That is 82 % bigger than ACTUAL GROWTH!**

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The National Framework For Planning (NFFP) says that councils should use figures which are:-

**Adequate**

**Up-to-date**

**Relevant**

## **CONCLUSION THEN...**

**NHDC says they need to build 15,014 houses.**

**But this figures and only one out of twelve scenarios, and also based on over-inflated DCLG statistics.**

**If they re-calculated using the ONS STATISTICS OF ACTUAL ANNUAL HOUSEHOLD GROWTH, then they would need 82% less required dwellings.**