

**North Hertfordshire Local Plan
Examination in Public**

Written Representation



On behalf of Warden Developments Limited

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

1. Warden Developments Limited (WDL) have been engaged with the Local Plan process throughout and have submitted representations at each relevant stage.
2. WDL are the promoters of 'Land south of Cowards Lane' in Codicote which is proposed for allocation under Policy CD1. Separate representations are being prepared in response to the individual site assessment issues.
3. This short statement responds to the related but more strategic level issue of the overall housing strategy and in particular the level of provision set out in the plan.

Response to the Inspectors Issues & Questions

4.1 Policy SP8 says that new homes will be delivered through the following sources:

***Completions, permissions and allowances – 4,340
Strategic housing sites – 7,700
Local housing allocations – 4,860***

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

4. It is considered that there are three main strands of justification for this theoretical overprovision all of which are essentially linked to ensuring deliverability.

Planning Policy / Guidance Requires the Council to Build in Flexibility

5. Firstly, as the Inspector is aware the delivery of a significant boost or step change in the amount of new housing provided across the country is a key aim of the NPPF.

6. The ministerial foreword highlights " *the importance of housing a rising population which is living longer*" and the country's failure over recent years to build sufficient houses on an annual basis is an acknowledged and ongoing problem.
7. As a result, the NPPF urges Councils to:
 - Plan positively in order to meet the development needs of their area. This means ensuring that Local Plans meet objectively assessed needs **and to build in sufficient flexibility to ensure this happens**. (Paragraph 14)
 - Proactively drive and support sustainable development to deliver homes that the country needs.; (Paragraph 17)
 - Boost significantly the supply of housing; (Paragraph 47) and
 - Use their evidence base **to ensure** that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area. (Paragraph 49)
 - To be realistic in the plan making process. (Paragraph 154)
8. It is respectfully submitted that against this policy guidance background the Council's decision to build in a small (6%) element of flexibility must be considered prudent if not a minimum requirement and exactly the approach advocated by the Government.
9. As discussed further below in terms of larger strategic sites, it is rare that all sites deliver exactly as anticipated. Whilst the SHLAA assessment process seeks to ensure as far as possible that sites which clearly have deliverability issues are excluded from consideration at an early stage it is inevitable that there will be some slippage or non-implementation over the plan period.
10. The Council's decision to build in flexibility provides a safeguard against this so that the overriding objective of meeting the districts housing need can be met.
11. As the Inspector will appreciate there is no policy or guidance which seeks to prevent more housing than the absolute minimum being delivered. Rather the emphasis is upon providing the Objectively Assessed Need as a minimum.

Affordability concerns are such that an undersupply cannot be allowed to occur

12. We draw the Inspectors attention to the Savills 'Hertfordshire Residential Development Spotlight' report attached as Appendix 1 to this representation.
13. This highlights that Hertfordshire house prices have now risen to 48.9% above their previous peak in 2008, (according to Land Registry data).
14. Prices in the County rose by 11.7% over the past year alone, compared to 7.7% nationally.
15. The result is that house price affordability in the area is poor. The ratio of average earning to average house prices in North Hertfordshire is close to ten times salary against a national average of approximately eight times salary.
16. This poor level of affordability in the district is a key reason why the Council should ensure that housing targets are reached by building in the flexibility discussed above.

Reliance upon a number of larger strategic sites

17. It is generally accepted that large scale strategic sites can play a significant role in housing delivery and there are certain advantages to them, in particular the delivery of new infrastructure. However, a continued criticism of strategic scale development is the time taken for these sites to start delivering on the ground and thereafter the actual rate of annual delivery that may be expected from them.
18. It is our experience across the south east that assumptions made in local plans regarding the likely contributions that the strategic sites will deliver, particularly in the early years of the plan is almost always over-estimated.
19. In order to undertake a robust analysis, it is necessary to have an understanding of the likely lead in times for a start on site following site allocation and then to apply realistic annual rates of delivery once development has begun.

20. A study prepared by Nathaniel Litchfield (Appendix 2 to this representation) looked at 70 different strategic housing sites including a number of relatively local examples such as West Kempston (Bedford Borough), Cambourne (South Cambridgeshire), Wixams (Bedford Borough and Central Bedfordshire) and the Milton Keynes eastern expansion area.
21. The report notes that from identification of the site in a local plan to first completion on site is on average 6.9 years and that the annual average delivery rate is just 161 dwellings.
22. Further, the paper notes that in addition to lead in delays between 10 – 20% of planning permissions lapse and / or fail to deliver in the expected time period. It suggests that there are many reasons for this including:
- The landowner cannot get the price for the site that they want;
 - A developer cannot secure finance or meet the terms of an option;
 - The development approved is not considered to be financially worthwhile;
 - Pre-commencement conditions take longer than anticipated to discharge;
 - There are supply chain constraints hindering a start; or
 - An alternative permission is sought for the scheme after approval, perhaps when a housebuilder seeks to implement a scheme where the first permission was secured by a land promoter.
23. The provision of a 6% flexibility allowance in the overall proposed housing figure seeks to address these kinds of concerns.
24. These issues also emphasise the need for the plan to bring forward complimentary small and medium sized sites in order to ensure housing targets are met and a healthy five-year supply is maintained particularly in the early years.

Appendix 1

'Hertfordshire Residential Development Spotlight'

(Prepared by Savills)

Appendix 2

'Start to Finish, How Quickly do Large Scale Housing Sites Deliver'

(Prepared by NLP)