

## Councils Response to Inspectors Initial Questions Friday 24<sup>th</sup> May 2019

### 9. Question 9

**Have the Council considered whether a cap to the housing need figure is appropriate in accordance with NPPG Paragraph: 004 Reference ID: 2a-004-20190220.**

- 9.1. Yes, the Council has applied a cap on the housing need figure, in line with the 'standard method' set out in NPPG Paragraph: 004 Reference ID: 2a-004-20190220.

This sets the cap as:

#### ***Step 3 - Capping the level of any increase***

*A cap is then applied which limits the increases an individual local authority can face. How this is calculated depends on the current status of relevant strategic policies for housing...*

*Where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the local housing need figure is capped at 40% above whichever is the higher of:*

*the projected household growth for the area over the 10 year period identified in step 1; or*

*the average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).*

- 9.2. As the Government has updated and clarified the approach to the 'standard method' over time and as the relevant data sets have also been updated – household projection change and affordability ratio – SADC has updated the outputs of the 'standard method' over time. These are set out chronologically below and in more detail at appendices Q9 Appendix 1-3.

**St Albans Housing OAN (September 2017\*) – 2016 base date**

Households 2016	Households 2026	Total Change (2016-2026)	Average Annual Change	Affordability Ratio 2016	Uplift	Adjustment Factor	OAN Uncapped (dpa)	OAN Capped (40% Cap) (dpa)
59,043	65,565	6,522	652	16.76	80%	180%	1,172	913

\*17<sup>th</sup> March 2017 Housing affordability ratio data release date

NB: 2016 as the base date for the ten year household projections (2014-based) period (2016 to 2026) and the 2016 affordability ratio.

**St Albans Housing OAN (26<sup>th</sup> April 2018)**

Households 2018	Households 2028	Total Change (2018-2028)	Average Annual Change	Affordability Ratio 2017	Uplift	Adjustment Factor	OAN Uncapped (dpa)	OAN Capped (40% Cap) (dpa)
60,383	66,827	6,444	644	16.59	79%	179%	1,151	902

NB: the base date for the ten year household projections (2014-based) period was 2018 (2018 to 2028) using the 2017 affordability ratio.

**St Albans Housing OAN (28<sup>th</sup> March 2019)**

Households 2019	Households 2029	Total Change (2019-2029)	Average Annual Change	Affordability Ratio 2018	Uplift	Adjustment Factor	OAN Uncapped (dpa)	OAN Capped (40% Cap) (dpa)
61,063	67,462	6,399	640	16.81	80%	180%	1,152	896

NB: the base date for the ten year household projections (2014-based) period was 2019 (2019 to 2029) using the 2018 affordability ratio.