

Matter 2 Issue 1 Question 2 Appendix 1 - St Albans standard method housing need calculations (25 March 2024)

St Albans standard method minimum annual local housing need calculations summary table (25 March 2024):

Households 2024	Households 2034	Total Change (2024-2034)	Average Annual Change	Affordability Ratio 2023	Uplift	Adjustment Factor	Minimum Annual Local Housing Need Uncapped (Dwellings per Annum)	Minimum Annual Local Housing Need Capped (40% Cap) (Dwellings per Annum)
64,294	70,612	6,318	632	17.61	85%	185%	1,170	885

Step 1 – Setting the baseline

Baseline: St Albans – National household growth projections (2014-based)

Year	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Number of Households	64,294	64,923	65,565	66,197	66,827	67,462	68,097	68,738	69,367	69,990	70,612
Annual household growth		629	642	632	630	635	635	641	629	623	622

St Albans projected annual household growth (2024-2034) = 70,612 – 64,294 = 6,318

St Albans projected average annual household growth = $\frac{6,318}{10} = 632 \text{ (631.8)}$

Step 2 – An adjustment to take account of affordability

St Albans median workplace-based affordability ratio (2023) = **17.61**

$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

$$\text{St Albans Adjustment factor} = \left(\frac{17.61 - 4}{4} \right) \times 0.25 + 1$$

$$\text{St Albans Adjustment factor} = \left(\frac{13.61}{4} \right) \times 0.25 + 1$$

$$\text{St Albans Adjustment factor} = 3.4025 \times 0.25 + 1$$

$$\text{St Albans Adjustment factor} = \mathbf{1.850625}$$

St Albans projected average annual household growth (step 1) = **632**

Minimum annual local housing need = Adjustment factor × projected household growth

$$\text{St Albans minimum annual local housing need figure} = 1.850625 \times 632$$

*St Albans minimum annual local housing need figure (uncapped) = **1,170 (1,169.595)***

Step 3 – Capping the level of any increase

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 capped at 40% above whichever is the higher of:

- a. The projected household growth for the area over the 10 year period identified in step 1; or
 - b. The average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists)
- St Albans average annual household growth over 10 years (2024 to 2034) is **632 dwellings** (as per step 1)
 - St Albans minimum annual local housing need figure is **1,170 dwellings** (as per step 2)
 - The cap is set at 40% above the higher of the most recent average annual housing requirement figure or household growth:

$$Cap = 632 + (40\% \times 632)$$

$$Cap = 632 + 253 (252.8)$$

$$Cap = \mathbf{885 (884.8)}$$

The capped figure (885 dwellings) is lower than the minimum annual local housing need figure (1,170 dwellings) and therefore limits the increase to the local authority's minimum annual housing need figure. The minimum figure for St Albans is therefore **885 dwellings**.

Step 4 - cities and urban centres uplift

A 35% uplift is then applied for those urban local authorities in the top 20 cities and urban centres list.

Whether a cities and urban centres uplift applies depends on whether the local authority contains the largest proportion of population for one of the 20 cities or urban centres in England within the list.

St Albans is not included in the urban local authorities in the top 20 cities and urban centres list, therefore step 4 does not apply to St Albans.