

ST ALBANS CITY AND DISTRICT LOCAL PLAN EXAMINATION

MATTER 5:

OBJECTIVELY ASSESSED NEEDS FOR HOUSING AND EMPLOYMENT LAND (POLICIES S4 & S5)

**ON BEHALF OF: BLOOR HOMES AND THE DEPARTMENT OF HEALTH
AND SOCIAL CARE**

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Introduction

Pegasus is instructed by Bloor Homes and the Department of Health and Social Care to submit a Statement in respect of Matter 5, pursuant to the Matters and Questions identified by the Examination Inspectors.

Separately additional Statements have been submitted in respect of the following Matters:

- Matter 1
- Matter 2
- Matter 3
- Matter 4
- Matter 6
- Matter 7
- Matter 8

Pegasus previously submitted representations in response to the Reg 19 Publication Plan in October 2018 and the Draft Issues and Options and Call for Sites in February 2018. The Hearing Statements should be read alongside our representations and supporting evidence.

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5. **MATTER 5 – OBJECTIVELY ASSESSED NEEDS FOR HOUSING AND EMPLOYMENT LAND (POLICIES S4 & S5)**

Housing

5.1 **The identified housing need is based on the standard methodology in the National Planning Policy Framework. Is the Council's application of this in accordance with the methodology in the PPG (as updated)?**

5.1.1 Policy S4 of the Plan proposes 14,608 dwellings over the period 2020-2036 i.e. 913 dwellings per annum. Whilst the Council have used the standard method to derive the housing requirement, their application of the methodology is not consistent with the NPPF and PPG.

5.1.2 The latest version of the PPG Housing and Economic Needs Assessment was produced in July 2019. Those sections of the PPG which set out the methodology to calculate the minimum annual local housing need figure using the standard method were revised in February 2019 i.e. before the Plan was submitted for examination.

5.1.3 The PPG – Paragraph 2a-004-20190220 states that the first step in setting the baseline is to use the 2014 household projections and *"calculate the projected annual household growth over a 10 year period (this should be 10 consecutive years, with the current year being used as the starting point from which to calculate growth over that period)." (My emphasis).*

5.1.4 PPG – Paragraph 2a -008-20190220 states that

"strategic policy making authorities will need to calculate their local housing need figure at the start of the plan-making process. This number should be kept under review and revised where appropriate."

5.1.5 The SADC approach is not consistent with national policy and guidance as it proposes a base date of 2020. By using 2020 as a base date, in effect this removes two years of assessed housing needs from the point at which needs are set and also ignores any under delivery in that time. Whilst the Plan may not be adopted in 2020, the housing requirement must start from the point at which the needs are calculated.

5.1.6 The plan period should be from 2018 – 2036 and therefore the housing requirement should be at least 16,434 dwellings over the plan period; in which case SADC will need to consider additional allocations in order to address the

- housing requirement for the entire plan period. The figure of 913 dwellings per annum should be regarded as the minimum starting point in accordance with the PPG.
- 5.1.7 The standard method identifies a minimum annual housing need, it does not produce a housing requirement figure.
- 5.1.8 The PPG outlines circumstances where it may be appropriate to plan for a higher housing need figure than the standard method indicates (PPG – 2a-011-20190220); as the Government is committed to ensuring that more homes are built in accordance with the objective of significantly boosting housing supply. The standard method for assessing local housing need provides the minimum starting point for determining the number of homes in an area. The PPG states that there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates; and that this will need to be assessed prior to, and separate from, considering how much of the overall need can be accommodated and then translated in to a housing requirement figure for the strategic policies in the plan.
- 5.1.9 The PPG provides examples of the circumstances, where increases in housing need are likely to exceed past trends:
- **“growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);**
 - **strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or**
 - **an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground;”**
- 5.1.10 SADC have not produced any evidence to consider whether there is a need for a higher level of growth, no statements of common ground have been produced with each of the neighbouring authorities. It is noted that Watford Council in their Issues and Options consultation in September 2018 identified that meeting housing needs would be a considerable challenge over the plan period to 2036. More recently the Draft Watford Local Plan (September 2019) which was subject to consultation until 8th November 2019, has identified the key strategic issues for the Plan and these include the provision of new housing. The Plan identifies the key stakeholders working with Watford to be

the South West Hertfordshire authorities which includes SADC. The five local authorities that make up South West Hertfordshire form their own Housing Market Area and Functional Economic Areas. Paragraph 1.10.2 of the Draft Watford Plan states: *"This means that housing and employment needed within the wider area should be met within these administrative boundaries."*

5.1.11 Paragraph 1.10.3 of the Draft Watford Plan states:

"Assessments have been carried out to objectively identify the housing and employment capacity of Watford. This has identified that Watford will be unable to meet its housing target within its own boundaries."

5.1.12 Issues of unmet need have also been raised at the recent examination of the Welwyn Hatfield Local Plan.

5.1.13 No evidence has been presented as to how these issues have been considered as part of the preparation of the Plan.

5.2 Are any starting point LHN adjustments necessary?

5.2.1 This is a matter for the Council to provide the evidence.

5.3 Is the housing target in the Plan appropriately aligned with forecasts for jobs growth?

5.3.1 Regeneris Consulting and GL Hearn produced a report in February 2016 (EMP 002) and there has been an updated report by Hatch Regeneris September 2019 (EMP 001 and EMP); it is not clear how these reports have been taken into account in terms of formulating the strategy.

5.3.2 The 2016 report concluded that the analysis pointed to clear links between the four commissioning authorities and St Albans district in terms of the M1/M25 Growth Corridor and sector value propositions identified by the Hertfordshire Local Enterprise Partnership, public service catchments, retail and leisure markets.

5.3.3 The report noted that St Albans also has strong relationships with Welwyn Hatfield and consequently it was included in the Welwyn Hatfield Economy Study Update as falling within the Welwyn Hatfield FEMA. The report concluded

that there was inevitably a degree of overlap between different functional economic areas. The report also acknowledged the area's strong two way connections with London as demonstrated in the substantial travel to work movements (56,000 residents working in London in 2011, 26,000 commuting to South West Herts) to market relationships between businesses and the role the capital plays as a retail and leisure destination.

5.3.4 The report also states that:

".. the strong demand for housing development experienced by the area during the 2000s, which has seen residential land values outstrip commercial values. This reflects the area's attractiveness as a residential location and particularly its connections with London where the growth of the capital's economy and labour market has fuelled demand for housing in the surrounding area."

5.3.5 It is not clear how these issues have been addressed in the formulation of the strategy.

5.3.6 Regeneris Consulting (September 2019) report paragraph 5.16 Key points states that:

"There is evidence of an undersupply of housing in all districts in South West Herts, leading to growing affordability challenges. There is a risk that this could affect employers' ability to recruit, although this should be alleviated by the significant uplift in housing identified in the LHNA."

5.4 Is the stepped trajectory in policy S4 and appendix 2 of the Plan appropriate and justified?

5.4.1 Policy S4 proposes a stepped approach to *"reflect realistic rates of delivery of both the required infrastructure and the homes."* For the first five years of the plan based on the Council's approach (2020-2025) the requirement is 565 dwellings per annum. (In accordance with the NPPF and PPG the housing requirement should not be referred to as a target, the figures should be a "minimum" or "at least"). This figure is a significant shortfall on the annual figure of 913 i.e. 348 dwellings less per annum and over five years amounts to 1,740 dwellings.

- 5.4.2 Whilst the PPG Housing Supply and Delivery paragraph reference ID:68-021-20190722 states that a:

“A stepped housing requirement may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies and / or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period.”

This must be justified, and the evidence to support this approach needs to be produced. If a stepped approach is applied it must not seek to unnecessarily delay meeting identified development needs. Furthermore:

“Stepped requirements will need to ensure that planned housing requirements are met fully within the plan period. In reviewing and revising policies, strategic policy-makers should ensure there is not continued delay in meeting identified development needs.”

- 5.4.3 Whilst there is a significant change between what has been delivered in the past and what needs to be delivered in the future. It must be acknowledged that if the Council had had a Plan, then this step would not have been so significant. The inability of the Council to prepare a sound plan has led to the need for such a significant increase due to the failure to meet housing needs.
- 5.4.4 There is also a concern that as the Plan is supposed to be reviewed in 5 years (PPG Plan Making reference ID:61-062-20190315), and as housing needs are based on trends in the household projections, a lower housing requirement (by using the stepped approach) than in the plan, will only have the effect of suppressing housing need in a much needed area. Furthermore this figure could then be used as the starting point for the review of the plan. Consequently the figure of 913 dwellings per annum will not be delivered and housing need will be exacerbated in future.
- 5.4.5 Since the adoption of the last District Local Plan in 1994, SADC has delivered on average 360 dwellings per annum. During the monitoring year 2018 -19 a total of 624 dwellings were completed.
- 5.4.6 In September 2019 SADC produced the Housing Delivery Test Action Plan following the Housing Delivery Test Results which were published on 19th February 2019. (The action plan is produced by a local planning authority where delivery is below 95% of their housing requirement). It identifies the reasons for under-delivery, explore ways to reduce the risk of further under-

- delivery and is intended to set out measures which the authority intends to take to improve levels of delivery.
- 5.4.7 SADC scored 58% and in response the Council have produced an Action Plan. House prices are significantly higher compared to elsewhere in the region and the median house price to median earnings ratio for SADC is 16.81 compared with 8.0 for England and 9.72 for East of England (2018 figures from SADC Housing Delivery Test Action Plan).
- 5.4.8 The Action Plan states that: *"The Council cannot currently demonstrate a 5 year supply, but once the Local Plan is adopted, the sites released from the Green Belt can provide many more homes and a five year housing land supply can be demonstrated."*
- 5.4.9 The AMR 2018 states that the housing land supply, including the 5% buffer, there is against the standard method 2.4 years supply.
- 5.4.10 The reliance on the Green Belt sites coming forward to restore the 5 year land supply assumes that those Broad Locations will be granted permission without delay. However, it is well known that there are long lead in times to strategic sites, so in order to ensure housing delivery, the Plan needs to provide a range and choice of sites. The allocation of additional smaller/medium sites that could come forward earlier in the plan period will allow needs to be delivered more quickly and provide a more balance approach to delivery as envisaged by national policy. As the evidence shows there is a real need to deliver housing in the district and these needs should not be held back unnecessarily.
- 5.5 How much housing is anticipated after the plan period as a result of the proposals in the Local Plan?**
- 5.5.1 Policy S6 Broad Locations indicates that 1,800 dwellings will be post plan period, however, Appendix 2 of the Submission Plan, the housing trajectory 3,670 dwellings post 2036. It is not exactly clear how much housing is anticipated after the plan period.
- 5.6 Have the Council set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations, as set out in paragraph 65 of the NPPF?**
- 5.6.1 This is a matter for the Council.

5.7 Have the Council carried out an assessment, as required by S.8 of the housing act 1985, of the needs of people in the district residing in caravans or houseboats?

5.7.1 This is a matter for the Council.

Gypsies and Travellers

5.8 Does Policy L7 accord with the guidance in Planning Policy for Traveller Sites (PPTS) and is it justified and effective?

5.8.1 Pegasus has not submitted any representations on Gypsies and Travellers and therefore does not provide any response to the questions below.

5.9 The GTAA update 2019 identifies a need for 72 additional pitches for households that meet the definition in the PPTS. It also identifies a need for up to 5 additional pitches from undetermined households, and a need for 41 additional pitches for households that do not meet the planning definition. How are these to be provided for?

5.10 What site allocations are to be made for those who meet the definition (72 pitches)? Policy L7 refers to four 15 pitch sites in 3 of the Broad Locations only (total of 60). What about the shortfall of 12 pitches?

5.11 How are the needs of those 'undetermined households' that may meet the definition to be provided for?

5.12 How are the needs of those not meeting the definition to be provided for? Paragraph 1.12 of the GTAA suggests that the need for those households who did not meet the definition (41 pitches) will be addressed as part of general housing needs and through separate local plan policies (as required by paragraph 60 of the Framework). Where is this evident?

5.13 Bearing in mind the Council's stepped approach, is the plan consistent with the requirement of national policy to identify a supply of specific deliverable sites sufficient to provide at least five years' worth of supply against the local requirement and identify broad locations for growth for years 6 -10?

5.14 How were the 3 Broad Locations identified as being suitable for gypsy and traveller sites chosen? Why are they preferred to the other Broad Locations?

5.15 Do the proposed sites reflect the needs of travellers?

5.16 The East of Hemel Hempstead (Central) Broad Location is a proposed employment site. As such is GT provision here appropriate? What is the nature of the work that is underway to support the delivery of 30 pitches here?

5.17 How will the sites in the Broad Locations be achieved? (the policy suggests that locations will be identified, allocated and safeguarded

through collaborative master planning under Policy S6). Is this approach costed and deliverable?

- 5.18 Are any other allocations intended? What consideration has been given to the expansion or intensification of existing sites referred to in the GTAA? Has the suitability of extending existing sites or those with temporary permissions been considered (criteria 3 and 4 of Policy L7)?**

Employment Land

- 5.19 How has the Functional Economic Market Area (FEMA) been defined and is it appropriate?**

5.19.1 Pegasus have not submitted representations on Employment Land and therefore have no comments on the following questions.

- 5.20 What is the overall need for employment land that has been identified? What is the evidence for this? What is the situation regarding existing commitments and the residual need for additional land allocations? What is the past trend in take up rates for employment land?**

- 5.21 Overall does the evidence base provide adequate justification for the jobs target set out in policy S5?**

- 5.22 Does the jobs target align with those associated with the Hertfordshire Enviro-Tech Enterprise Zone?**

- 5.23 Are the employment land requirements consistent with the housing requirement figure?**

- 5.24 Does the plan allocate sufficient land to meet the identified minimum need in policy S5?**

- 5.25 Does the land allocated provide sufficient choice and flexibility?**

- 5.26 What are the inter-relationships with other authorities in terms of employment land provision and how have these been taken into account?**