

**Welwyn Hatfield Local Plan Technical Note:**  
Implications of a new plan period for the  
calculated housing need

June 2019

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**Client**

Welwyn Hatfield Borough Council

**Our reference**

WELM2000

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# 1. Introduction

## Background

- 1.1 The Welwyn Hatfield draft Local Plan was submitted in May 2017. As part of the submitted evidence base, Welwyn Hatfield Borough Council ('the Council') published a 2017 SHMA Update<sup>1</sup>. This concluded that the borough has an objectively assessed need (OAN) for 15,200 homes over the period covered by the submitted Plan (2013 – 2032).
- 1.2 The OAN concluded in the 2017 SHMA Update was based upon the latest datasets available at the time of its preparation. This included the 2014-based sub-national population and household projections (SNPP/ SNHP) as the '*starting point*'. It also took into account the latest assessed scale of likely job growth as set out in the 2015 Economy Study Update and the most up-to-date market signals data available at the time.
- 1.3 The OAN concluded within the 2017 SHMA Update was subject to examination through a hearing in October 2017. In response to verbal questions raised by the Inspector, the Council commissioned Turley to prepare a technical note published in March 2017 and titled '*Responding to the Inspector's Observations through the Stage 2 Hearings*'. This is included in the examination library as document reference EX/82.
- 1.4 Similarly, following a further set of hearing sessions – not related to the OAN – the Council commissioned a further technical note in late 2018, to consider the implications of the release of the 2016-based SNPP and SNHP<sup>2</sup>. This was finalised in June 2019, in parallel with this paper.
- 1.5 The conclusion of each technical note is that the OAN concluded within the 2017 SHMA Update remains reasonable and justified in the context of the points of clarification raised and the latest datasets and information considered.

## Scope of this paper

- 1.6 As a result of the preparation of new evidence relating to other aspects of the draft Local Plan, and the time which has lapsed since its submission, the Council is considering the implications of a revised plan period for the Local Plan.
- 1.7 The Council has already acknowledged through its examination hearing sessions that the plan period would need to run to at least 2033, one year beyond the draft submitted plan period which concludes in 2032. More recently, a decision has been made by the Council to carry out a Call for Sites, and a period of community engagement will follow before proceeding with further hearing sessions.
- 1.8 With this in mind, the Council initially considered it likely that any proposed modification would extend the plan period to 2034, and commissioned updated

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<sup>1</sup> HOU/21

<sup>2</sup> Examination Library Document: '*The implications of the 2016-based SNPP and SNHP on the Welwyn Hatfield OAN*'

demographic modelling from Edge Analytics on this basis<sup>3</sup>. However, it has subsequently come to the view that adoption is unlikely before 2020. On the basis that the plan makes provision for a 15 year period, post adoption, this would indicate a further extension of the plan period to 2035, although demographic modelling has not been produced for this extended period.

- 1.9 This technical note has been prepared at the request of the Council to consider the potential implications of a change to the presented plan period in the context of the published evidence of housing need as set out above. It refers to modelling over the alternative plan period that was initially envisaged by the Council (2016 – 2034), with the conclusion separately considering the implications of a further extension to 2035.
- 1.10 In recognising both the moving forward of the start date and the extension of the plan period beyond the current OAN horizon, this paper specifically considers:
- The differing scale of projected need based on the demographic projections for the original and alternative plan periods. This acknowledges that the official ONS projections, which are preferred in the calculation of the OAN, present a projection of growth on an annual basis. This is considered in **section 2** of this report; and
  - The implications of market signals evidence over the years to date from the current base date of the plan period (2013) for which data is available. This is intended to present a wider consideration of the changing housing market situation in Welwyn Hatfield and to ensure that consideration is given to the implications of the balance between demand and supply over the period from which the base date is proposed to be moved forward. This is considered in **section 3** of this report.
- 1.11 **Section 4** of the report reflects on these separate aspects to provide a conclusion on the continued application of the OAN evidence and the concluded OAN over the proposed new extended plan period.

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<sup>3</sup> This modelling was produced in late 2018, while this report was finalised in early June 2019

## 2. Implications for the modelled demographic need

- 2.1 As referenced in section 1, the latest concluded OAN set out in the 2017 SHMA Update was based upon a demographic '*starting point*' provided by the 2014-based SNHP.
- 2.2 Detailed evidence was presented considering the appropriateness of the underlying population projections and the household formation rate assumptions in providing a reasonable basis for projecting demographic needs.
- 2.3 This has been considered further in the context of newly released demographic datasets. Subsequent technical notes have respectively considered the implications of revised ONS mid-year population estimates (2011 – 2016), and – more recently – the 2016-based population and household projections<sup>4</sup>.
- 2.4 These technical notes have continued to validate the use of the ONS published population projections as informing the calculation of the OAN in Welwyn Hatfield.
- 2.5 Over the plan period within the submission draft Local Plan, the latest technical note highlighted that both the 2014-based and 2016-based population projections showed a very similar level of projected population growth, 26,790 and 27,267 people respectively.
- 2.6 The suitability and accuracy of the ONS historical counts and projections of population in Welwyn Hatfield was the subject of significant debate through the hearing session in October 2017. In this context – and recognising that the 2016-based SNPP drew upon the ONS's revised estimates of population change since the 2011 Census, and the extent to which it continued to represent a reasonable projection of future population change in the borough – the recently completed technical note<sup>5</sup> confirmed that it was considered to be appropriate to reference the latest population projection dataset in informing the Council's evidencing of housing need. It was also noted that the scale of alignment between the two datasets meant that it did not represent a meaningful change to suggest a departure from the concluded OAN on the basis of this dataset alone.
- 2.7 The 2017 SHMA Update used the 2014-based SNHP as the '*starting point*' for calculating housing need. The latest technical note<sup>6</sup> considered the implications of the 2016-based SNHP, recognising the availability of this updated dataset that applied a new methodology for projecting household formation rates by the ONS. In considering the dataset, the note recognised the concerns raised by the Government as to its appropriateness for the purposes of calculating housing need in the context of the standard method which under the revised NPPF forms the basis for calculating need.

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<sup>4</sup> '*Responding to the Inspector's Observations through the Stage 2 Hearings*' (EX/82); '*The implications of the 2016-based SNPP and SNHP on the Welwyn Hatfield OAN*' (document reference to be confirmed at time of writing)

<sup>5</sup> Examination Library Document: '*The implications of the 2016-based SNPP and SNHP on the Welwyn Hatfield OAN*' (June 2019)

<sup>6</sup> *Ibid*

These concerns continue to provide ‘*relevant background*’ for plans submitted under the previous NPPF, as confirmed by MHCLG within its submission to the London Plan Examination<sup>7</sup>.

- 2.8 In Welwyn Hatfield, it was recognised within the 2019 technical note that – as with the national picture – the 2016-based SNHP presented a notably different level of household growth to the 2014-based projection, even where the population inputs were comparatively similar. In the context of the concerns raised by Government, the conclusion was reached that it was not appropriate, at this point in time, to use the household formation rate assumptions within the 2016-based SNHP.
- 2.9 Specifically for Welwyn Hatfield, these factors therefore resulted in the recommendation that where there were any remaining concerns regarding the robustness of the historic ONS estimates of population influencing the 2014-based SNPP, it would be reasonable to present the 2016-based SNPP – with the 2014-based SNHP household formation rates applied by Edge Analytics – as an alternative minimum starting point. As shown at Table 2.1, this projection closely aligns with the 2014-based household projections over the current plan period.

**Table 2.1: 2014 SNPP & 2016 SNPP with 2014 SNHP headship rates (2013 – 2032)**

| Population projection | Household formation rates | Household growth<br>2013 – 2032 | Dwellings per annum<br>2013 – 2032 | Relative to previous<br>‘starting point’ |
|-----------------------|---------------------------|---------------------------------|------------------------------------|--|
| 2014-based            | 2014-based                | 12,345                          | 670                                | –  |
| 2016-based            | 2014-based                | 12,125                          | 658                                | -2%                                      |

Source: ONS; Edge Analytics

- 2.10 The official datasets and the modelling prepared by Edge Analytics using POPGROUP include annual counts of population and households. This means that it is a simple exercise to calculate the scale of growth projected over an alternative and slightly shorter period (2016 – 2034), to enable comparison with Table 2.1. This is shown below, revealing a slightly more pronounced 7% difference between the population projections when applying identical household formation rates.

**Table 2.2: 2014 SNPP & 2016 SNPP with 2014 SNHP headship rates (2016 – 2034)**

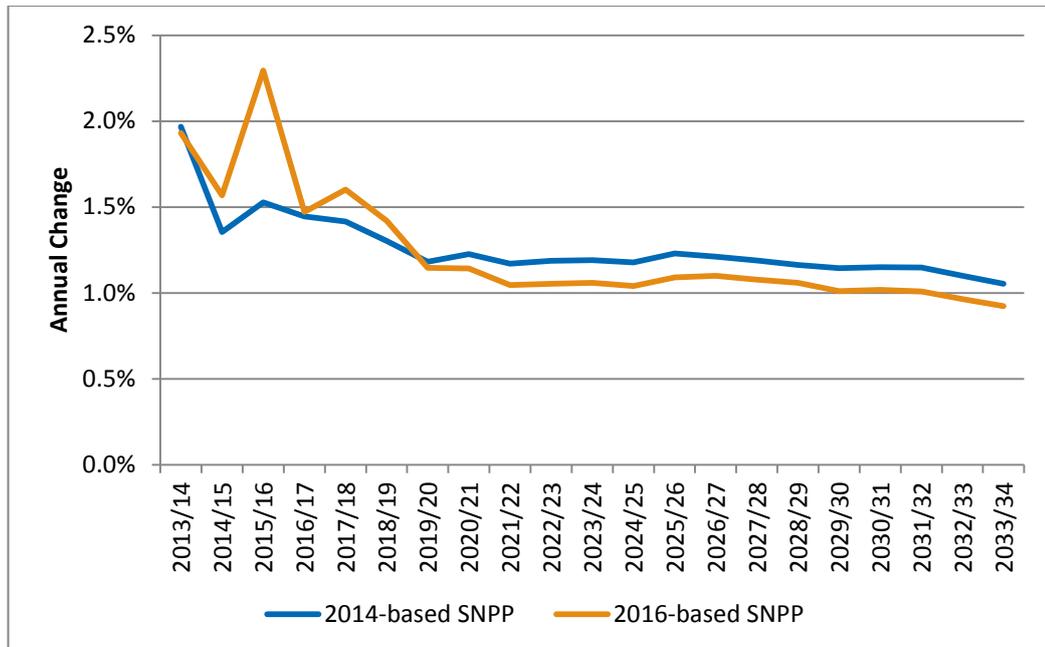
| Population projection | Household formation rates | Household growth<br>2016 – 2034 | Dwellings per annum<br>2016 – 2034 |
|-----------------------|---------------------------|---------------------------------|------------------------------------|
| 2014-based            | 2014-based                | 11,364                          | 651                                |
| 2016-based            | 2014-based                | 10,561                          | 605                                |

Source: ONS; Edge Analytics

<sup>7</sup> London Plan Written Representation by the Ministry of Housing, Communities and Local Government (Reference ID 2631 – Housing Requirement, matter 17s)

- 2.11 Furthermore, when comparing Tables 2.1 and 2.2, the scale of projected demographic need in Welwyn Hatfield is slightly lower over the alternative period, relative to the original plan period. This recognises in particular that over the longer-term the rate of household growth on an annual basis is projected to fall, as shown in Figure 2.1.

**Figure 2.1: Projected Annual Household Growth in Welwyn Hatfield (2014-based/2016-based SNPP with 2014-based headship rates)**



Source: Edge Analytics; ONS; MHCLG

- 2.12 Figure 2.1 shows that there is a degree of difference in the historic estimates of household growth, most notably in 2015/16. This stems from the integration of population estimates between 2014 and 2016 within the latest dataset. It is also important to note that this takes into account the revisions made by the ONS for 2016 and the preceding years with this representing the base-date of the projection.
- 2.13 The 2016-based SNPP are now entirely based on a period, from 2011 to 2016, in which unattributable population change (UPC) – which arose from the 2011 Census population count<sup>8</sup> – has not been identified as an issue by the ONS. They also draw upon the ONS’s revised mid-year population estimates. As explained in the 2018 Technical OAN Paper (EX/82), these revisions seek to address any concerns the ONS may have had with regards to the accuracy of their ongoing process of population estimation in advance of the 2021 Census.
- 2.14 On this basis, the 2016-based SNPP continues to have merit as a ‘starting point’ when considering housing needs in Welwyn Hatfield over an alternative period. However, the slightly more pronounced divergence from the 2014-based SNPP over such a period suggests that some consideration should also be given to the implications of retaining

<sup>8</sup> A full explanation of the issue relating to UPC in Welwyn Hatfield is included at Appendix 2 of the 2018 Technical OAN Paper.

this earlier projection for the purposes of concluding on whether the OAN should be amended if calculated over an alternative time period, noting the Government's retention of this dataset within the standard method.

### **An adjustment to household formation rates**

- 2.15 In considering the 2014-based SNHP in the 2017 SHMA Update, it was concluded that an adjustment should be made to the assumed rate of younger household formation over the plan period, to address an underlying assumption that an evidenced historic suppression is sustained. When Edge Analytics applied such an adjustment to the 2014-based SNPP, with a recovery initially assumed over the decade to 2024, a need for 721 dwellings per annum was implied over the period covered by the submitted plan (2013 – 2032). Although Edge Analytics' modelling did not extend beyond 2032, it is estimated that circa 698 dwellings per annum would be needed over the alternative period considered in this section<sup>9</sup> (2016 – 2034). This 3% difference is comparable to that shown when annualising the unadjusted 2014-based household projections over these different periods, as shown when comparing Tables 2.1 and 2.2.
- 2.16 The 2018 technical note updated this analysis to reflect views expressed by the Inspector, with sensitivities presented – again within the context of the 2014-based SNPP – which assumed that the positive adjustment was applied from either 2018 or 2023 to the end of the plan period (2032). While this suggested a marginal difference<sup>10</sup> over the period then assessed, relative to the previously modelled approach, these sensitivities notably assume that improvements commence *after* 2016; the start date for the plan period now being considered by the Council. As such, they could be considered a more suitable approach within these circumstances.
- 2.17 Although the modelling again did not extend to 2034, it is estimated that between 726 and 731 dwellings per annum would be needed in Welwyn Hatfield over an alternative period from 2016 to 2034. This closely aligns with the adjusted demographic projection (721dpa) that features in the Council's OAN calculation over the earlier plan period, but represents a more pronounced uplift from the unadjusted '*starting point*' over an alternative period as shown in the following table.

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<sup>9</sup> Given that this scenario was not been modelled up to 2034, the additional homes needed in the final year of Edge Analytics' modelling (2031/32) has been held fixed for two further years, enabling the calculation of an average over the period from 2016 to 2034. This is considered to be a reasonable and proportionate approach for the purposes of this exercise

<sup>10</sup> This is shown at Table 3.2 of the Technical OAN Paper (March 2018)

**Table 2.3: 2014-based SNPP with previously modelled headship rate adjustments**

| Headship rate adjustment     | 2013 – 2032         |                      | 2016 – 2034 <sup>11</sup> |                      |
|------------------------------|---------------------|----------------------|---------------------------|----------------------|
|                              | Dwellings per annum | Impact of adjustment | Dwellings per annum       | Impact of adjustment |
| No adjustment                | 670                 | –                    | 651                       | –                    |
| Return between 2014 and 2024 | 721                 | 8%                   | 698                       | 7%                   |
| Return between 2018 and 2032 | 729                 | 9%                   | 726                       | 12%                  |
| Return between 2023 and 2032 | 729                 | 9%                   | 731                       | 12%                  |

Source: Edge Analytics; Turley analysis

- 2.18 When comparably adjusted<sup>12</sup> household formation rates are applied to the 2016-based SNPP, and its different age profile, a need for **672 homes per annum** is suggested in Welwyn Hatfield over the period from 2016 to 2034. This represents an 11% increase from the unadjusted projection, which is again slightly higher than the 8-9% adjustments implied over the period previously assessed.

### Supporting job growth

- 2.19 The 2019 technical note confirmed that the scale of population growth within the demographic projection over the existing plan period would be more than adequate to support the levels of likely job growth identified in the submitted Plan's evidence base. This was also the conclusion reached in the 2017 SHMA Update. The Plan's evidence base allows for the creation of 16,600 jobs over a nineteen year period from 2013 to 2032.
- 2.20 At the time of writing, the Council was not yet in a position to provide updated forecasts of job growth over an extended period. However, in applying a consistent set of labour-force assumptions to the demographic projection over an alternative period, the scale of job growth which could be supported to 2034 has been calculated.
- 2.21 Where, as with the 2017 SHMA Update, the commuting ratio is held constant (i.e. Welwyn Hatfield continues to retain the same balance of those commuting in and out in proportionate terms), the 2016-based SNPP – which represents the lower of the official demographic projections – would still support **16,497 jobs** over the eighteen year period from 2016 to 2034. This does not account for the 7,700 jobs that are already understood to have been created since the start of the previous plan period (2013 – 2016), based on the Business Register and Employment Survey<sup>13</sup>, and which would therefore be netted off the original 16,600 job growth estimate.

<sup>11</sup> Figures quoted within this column are estimates given that Edge Analytics' modelling of these scenarios did not extend beyond 2032. Housing need in the final year (2031/32) has been held constant for two further years for the purposes of this analysis

<sup>12</sup> A single variant has been modelled which assumes a return over the period from 2019 to 2034

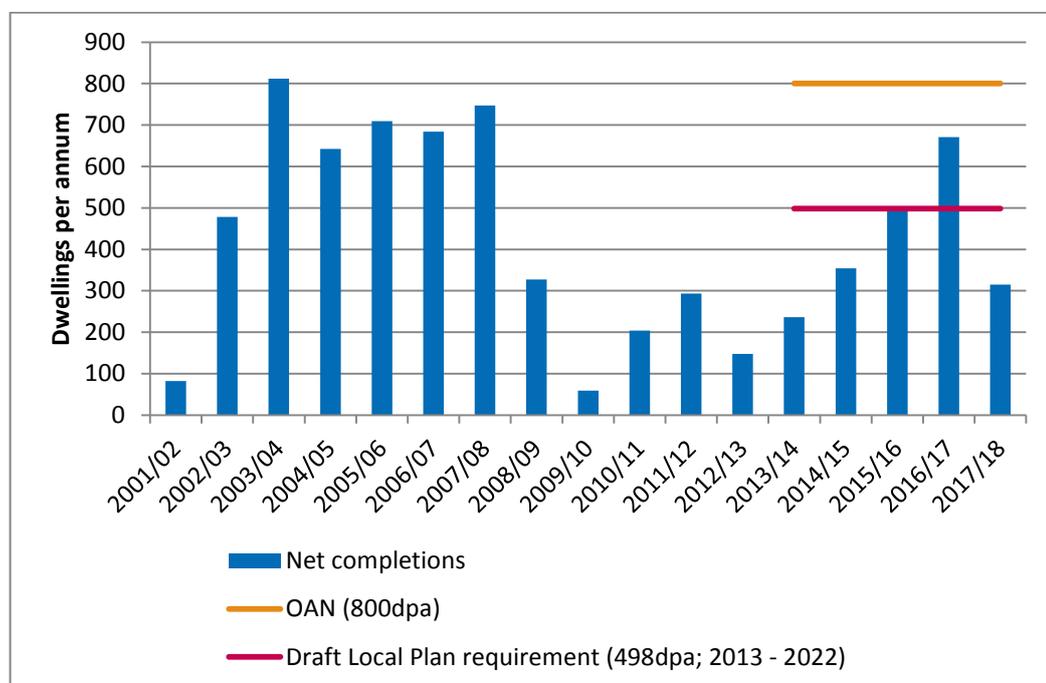
<sup>13</sup> This includes circa 800 jobs associated with business units registered for Pay As You Earn (PAYE) which have been included in official BRES statistics since 2015, but were excluded in earlier years

2.22 While the projected demographic growth of the population can accommodate forecasts of job growth as presented in the Council's evidence base over the current plan period, there is no reason to suggest that this position would not remain true where the plan period is extended as proposed by the Council. The outputs of the modelling clearly show that the projected growth of the population would enable a continued growth of the borough's economy based on a continuation of the rate forecast out beyond the current plan period which ends in 2032, with this reflecting the projected continuation of significant rates of demographic growth.

### 3. An appreciation of changing market signals

- 3.1 The Courts have considered the implications of re-basing the plan period on the calculation of housing need. This includes the regularly cited High Court ruling; Zurich Assurance Ltd vs Winchester City Council and South Downs National Park Authority of March 2014 and more recently by the then Secretary of State (APP/C1570/A/14/2213025) in August 2016.
- 3.2 These judgments confirmed that in re-basing, it is not necessary to directly take into account a quantified level of historic undersupply. In the context of the PPG, however, it is important to acknowledge the extent to which there is evidence of a worsening of market signals. The SHMA evidence has consistently identified evidence of a worsening position in Welwyn Hatfield.
- 3.3 The supply of housing represents an important consideration in this regard. As shown in the following chart, recent years saw a prolonged improvement in the rate of housing delivery in Welwyn Hatfield up to 2017. This approached the higher levels of delivery recorded prior to the recession, surpassing the draft phased housing requirement proposed by the Council but falling below the annualised OAN concluded in the 2017 SHMA Update (HOU/21). This recovery did, however, slow in 2017/18, which may have at least partially been influenced by the absence of an up-to-date adopted Local Plan.

**Figure 3.1: Net Completions in Welwyn Hatfield (2001 – 2018)**



Source: Welwyn Hatfield Borough Council

3.4 The calculation of the OAN in 2017 fully acknowledged the long-term worsening of market conditions in Welwyn Hatfield, manifest in rising house prices and sustained affordability issues. These conditions have not improved in the intervening period, as:

- Entry-level **house prices** in Welwyn Hatfield increased by 26% between 2015 – the then-latest year of data available – and 2018. Much of this growth occurred in a single year<sup>14</sup> (21%; 2015-16);
- Lower quartile house prices equated to 11.81 years' lower quartile earnings in 2018, with this **affordability ratio** having increased by 20% since 2015<sup>15</sup>. The *median* affordability ratio – which now features in the standard method – stood at 10.88 in 2017, increasing by 12% since 2015. These ratios are based on the earnings of people working in Welwyn Hatfield, highlighting the affordability challenges faced by those looking to live close to their place of work<sup>16</sup>; and
- Lower quartile **private rents** for two bedroom properties in Welwyn Hatfield have continued to increase, with monthly rents over the year to September 2018 around 6% higher than recorded over the then-latest year to September 2016<sup>17</sup>.

3.5 It is apparent from the above that the latest datasets confirm that market signals have continued to worsen within Welwyn Hatfield. It is reasonable to conclude that the imbalance between supply and need over this period has contributed to this worsening.

3.6 In deriving the OAN within the 2017 SHMA Update, a further 10% adjustment was applied to respond to market signals in addition to the uplift resulting from the adjustment to younger household formation rates. This level of adjustment was subject to discussion at the hearing sessions in 2017 with no guidance provided by the Inspector to suggest that this was inappropriate or that a higher or lower adjustment was to be preferred. Within the 2018 technical note, further consideration as to the scale of comparable adjustment recommended in East Hertfordshire and through the LPEG proposed methodology was presented in relation to observations made by the Inspector. This did not suggest that the scale of cumulative adjustment (acknowledging the adjustment applied to the household formation rates) was disproportionate.

3.7 It is considered appropriate, however, to further reflect on the extent to which a different scale of market signals adjustment could be justified where need is to be presented from a new advanced base date, prior to which there has been evidence of a sustained worsening of conditions arising from the balance in the supply and demand for housing.

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<sup>14</sup> Land Registry price paid data indicates that lower quartile house prices in Welwyn Hatfield stood at £277,125 in 2016 and £281,000 in 2017

<sup>15</sup> ONS (2018) House price to workplace-based earnings ratio; Table 6c. The ONS has assumed responsibility for producing these ratios from MHCLG, whose now-discontinued data was referenced in the 2017 SHMA Update. This has resulted in the publication of a different ratio for 2015 (9.88) than presented in the 2017 SHMA Update (10.7)

<sup>16</sup> Although residence-based affordability ratios are also published, the analysis for Welwyn Hatfield has consistently been based on workplace-based ratios. This provides a more representative picture of *all* who may need to live in Welwyn Hatfield (to be close to their place of work), as opposed to a residence-based measure of those who *already* live in the borough

<sup>17</sup> VOA (2018) Private rental market summary statistics – April 2017 to March 2018

- 3.8 On this basis, it is considered that it could be prudent and reasonable to allow for a higher level of adjustment, responding to the market signals evidence, should the plan period be moved forward to a base date of 2016. This recognises evidence of a continuation of a worsening of market signals which is likely in part at least to have resulted from a continued under-provision of housing over the period covered by a change in the base date (2013 – 2016).

## 4. Conclusion and Implications

- 4.1 This report has not sought to present an updated OAN for Welwyn Hatfield, but to consider – based upon the evidence presented in the existing 2017 SHMA Update and published subsequent technical notes – the implications of a new plan period for the calculated housing need.
- 4.2 In initially reviewing the drivers of need over the period from **2016 to 2034**, for which demographic modelling was commissioned, the analysis has concluded that:
- It remains appropriate to use the official population projections as the basis of demographic needs in Welwyn Hatfield. Recognising the relatively close alignment between the 2014-based and 2016-based SNPP and the fact that the latter integrates the ONS revised mid-year estimates – which formed a basis of discussion in the OAN hearing session – their use is considered appropriate for the purposes of understanding housing needs over a new plan period. This reflects the conclusions of the 2019 technical note, albeit the different plan period does result in a slightly more pronounced difference in the implied demographic projection of need. On this basis, this note has also considered the implications of retaining the use of the 2014-based SNPP in the calculation.
  - In accordance with the evidence presented in the 2019 technical note, it is not considered appropriate to directly apply the household formation rate assumptions in the 2016-based SNHP. The 2014-based rates are instead retained in translating both the 2014-based SNPP and the 2016-based SNPP into household growth, and housing need for the new plan period.
  - Using this combination of the official projections, the implied annual demographic need for housing in Welwyn Hatfield would be modestly reduced over an alternative period, reflecting in particular the lower rate of population and household growth anticipated over the latter years of the projection period. This reduction is, however, notably more modest where the 2014-based SNPP are retained, principally due to its different age profile.
  - On an annual basis, any reduction is entirely offset where allowance is made for a recovery in younger household formation within the timescales of an alternative plan period. The 2016-based SNPP would be expected to generate a need for 672 dwellings per annum under such circumstances, while the 2014-based SNPP would generate a higher need for around 726 dwellings per annum. While this relates to an alternative period, it closely aligns with the variant demographic projection that features in the Council's OAN calculation for the current plan period (721dpa). It does, however, involve a more pronounced uplift from the unadjusted projection over the alternative period. This is considered reasonable in the context of the evidence of worsening affordability, which following the rationale in the original OAN report reflects evidence of the suppression of younger household formation specifically.
  - There is evidence of a continued worsening of market signals since the 2017 SHMA Update was prepared and in particular since the base date of the

submitted plan period. It is reasonable to assume that this worsening has in part at least been the result of a continued under-supply of housing when compared to the assessed need over the early years of the current plan period. In this context a more pronounced adjustment to respond to the consequences of a worsening in affordability and other market signals could be reasonably justified.

- 4.3 In drawing together and reflecting on the above findings, **the current, rounded OAN of 800 dwellings per annum continues to appear reasonable and justified over an alternative period.** As explained below and illustrated in Table 4.1, such a level of calculated need retains a proportionate and reasonable adjustment from the baseline '*starting point*' projection to respond to the evidence of a continued worsening of affordability and market signals.
- 4.4 Where the starting point is accepted as being either 651 homes per annum (2014-based SNPP) or 605 homes per annum (2016-based SNPP) an OAN of 800 dwellings per annum allows for reasonable adjustments to either '*starting point*', which are cumulatively larger (23 – 32%) than were applied when calculating need over the current plan period (19%). This implicitly allows for a supply-led market signals uplift of at least 10% and up to 19%, which – when recognised that such adjustments are not intended to be an exact science – is considered to be justified in the context of earlier judgements and the analysis in this paper. Such an approach – which responds to and recognises the justification for an additional level of headroom in the adjustment, rather than the defining of an exact uplift – is considered appropriate where it is recognised that it is not the purpose of this technical note, or the ones preceding it, to provide a full update to the OAN arrived at in the 2017 SHMA Update.
- 4.5 Recognising the need to ensure that likely job growth does not necessitate a further uplift, the analysis in section 2 has confirmed, in accordance with the evidence presented in the 2017 SHMA Update and the 2019 technical note, that such a level of need would also support the scale of job growth identified within the Council's evidence base, with no further adjustment of this nature therefore considered to be required.

**Table 4.1: Considering Adjustments to the Objectively Assessed Need (2016-34)**

|  | 2013 – 32   | 2016 – 34       |                 |
|--|-------------|-----------------|-----------------|
|  | Current OAN | 2014-based SNPP | 2016-based SNPP |
| Starting point                             | 670         | 651             | 605*            |
| Adjusted demographic projection            | 721         | 726             | 672             |
| <b>Objectively assessed need (rounded)</b> | <b>800</b>  | <b>800</b>      | <b>800</b>      |
| Cumulative uplift from 'starting point'    | 19%         | 23%             | 32%             |

Source: Turley; Edge Analytics \* 2016-based SNPP with 2014-based headship rates

- 4.6 On this basis, it is considered reasonable for the Council to assume that **the concluded OAN of 800 homes per annum can be applied over the period from 2016 to 2034**. Its rounded nature also means that where there is a necessity to further extend the plan period to 2035, **it would be reasonable to extrapolate this annual figure to cover an additional year**.
- 4.7 This would suggest a total need for **14,400 homes** over the 18 year period considered in this paper (2016 – 2034), increasing to **15,200 homes** over the 19 year period that may be required to ensure a fifteen year horizon from adoption (2016 – 2035).

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