

STAGE 6 HEARINGS

SUPPLEMENTARY NOTE ON DWELLING REQUIREMENTS

At the Hearing Session on Tuesday 17th December the Inspector invited Save Symondshyde to state and explain its proposed annual dwelling supply requirement for the Welwyn Hatfield Local Plan, taking into account a possible change in the Plan period from 2013-32 to 2016-36. This Supplementary Note briefly sets out our proposals and the reasons for them.

Summary

The Local Plan Objective Assessed Need for housing 2016-36 should be 604 dwellings p.a.

Component 1: demographic change

The latest evidence on demographic change in Welwyn Hatfield is provided in the ONS 2016-based household projections, and it is these which Government policy expects will be used to establish a 'demographic starting point' for the Local Plan, in accordance with the 2012 National Planning Policy Framework and Planning Practice Guidance. The following calculation is based on figures for household numbers in the Borough in 2016 and 2036:

Welwyn Hatfield households 2016	46,990
Welwyn Hatfield households 2036	<u>57,632</u>
Increase in no. of households 2016-36	<u>10,642</u>
Annual change (over 20 years)	532
Add 3% vacancy rate for 'starting point'	548

The demographic requirement for the 2016-36 period would be land for 548 dwellings p.a.. This compares with the Council's latest proposal (November 2019 to the Stage 6 hearing) of 593dpa, which was based on using the 2016-based population projections only.

Component 2: backlog of unmet need 2013-2016

The approach used by Turley and the Council through the Local Plan process until now has been to present a Strategic Housing Market Assessment using an up-to-date base year, leading to the calculation of an Objectively Assessed Need for housing. Under this system there is no 'backlog' or inherited shortfall. Updating the Plan period to begin in 2016 rather than 2013 but without an entire new SHMA, however, does require the making of an allowance for any shortfall in dwelling supply in the 2013-2016 period.

The numbers of net dwellings completed in Welwyn Hatfield (reported in the *WHBC Annual Monitoring Report 2017/18*, February 2019 at Table 10) were as follows:

2013-14	316
2014-15	391
2015-16	507

Welwyn-Hatfield Local Plan Examination
 Representor: Save Symondshyde

The completions in three years were 1,214. These figures are for financial years and should be treated as approximate compared with the years from 1st January which the Local Plan covers (though the latter should be formally clarified).

Against the actual dwelling supply, the ONS 2016-based household projections (which are for mid-year) show that the number of households in Welwyn Hatfield were as follows:

2013 households	44,491
2016 households	<u>46,990</u>
Household growth	2,499
Add 3% vacancy	2,574

Household growth minus dwelling supply 2013/14-15/16: $2,574 - 1,214 = 1,360$

Allowance must also be made for the fact that the Council has been assuming an inflated number of households in 2016:

Households in WHBC in 2016: 46,990 households (2016-based household projections)

Households in WHBC in 2016: 47,238 households (2014-based household projections)

The Council continues to rely on the 2014-based household projections, but the actual number of households in 2016 was 248 fewer than the Council has been assuming, so there is no need to supply dwellings for these (non-existent) households.

The backlog of unmet need 2013-16 is therefore: $1,360 - 248 = 1,112$. This is 56pa over the Plan period 2016-36.

Our estimate of backlog cannot easily be compared with the Council's assumed figure. From the Council's statement of November 2019 for the Stage 6 Hearing session heard on 17th December, it is apparent that:

- the Council accepts that “the PPG requires the calculation of OAN to recognise issues of under-supply/under-delivery. It recommends an adjustment be made which is proportionate to the underlying household projections and one which is considered to be reasonable” (response to Inspector's Questions 15-18 at (g)); and
- “the increased uplift facilitated by the retained OAN of 800dpa is considered to be a reasonable and positive response to the consequences of under-provision over the period from the original base date (2013) to the new base date (2016), specifically including a recognition for worsening affordability” (response to Inspector's Questions 15-18 at (j)).

In short, whatever adjustment the Council has made for backlog cannot be identified separately as this has been merged into a larger figure also responding to worsening affordability.

(Please note that, following a reworking of the figures as above, our proposed adjustment for backlog is higher than stated orally to the 17th December hearing: our apologies.)

Component 3: other adjustments (for younger household formation, and market signals)

It is important that our proposals for OAN are compared 'like-for-like' with the Council's proposals. As indicated in our written submissions at Stage 2 Matter 2 and in August 2019, and orally to the subsequent Hearings:

- we showed that releasing more land will not result in more younger households being able to form as a result of improving housing affordability, so no adjustment should be made to land supply for that;
- we see no grounds for any adjustment for market signals and remain strongly opposed to this (and also consider these partially double-count the allowance for younger household formation, in that the adjustment for 'market signals' will [on the Council's argument] include an improvement in affordability which benefits younger households as well as all others);
- the Council increases each component of its cumulative uplift of OAN above the demographic starting point in each of its successive assessments: we see no justification for that.

The Council's most up-to-date Table showing the evolution of its approach to OAN as new information has become available is in Table 1 of its November 2019 statement for the Stage 6 Hearings (titled '*Adjustments to the Objectively Assessed Need over an alternative period (2016-36)*' on page 9). Below we extend that Table to include our proposals as the final pair of columns. This Table supersedes others provided by ourselves (e.g. in our submission in March 2019 numbered EX103C), and by the Council (e.g. Turley's Table 4.1 in its June 2019 submission numbered EX103B) which took the Plan period forward only to 2034, not 2036. We have taken the opportunity to clarify the component parts of the Table.

Update to WHBC's Table 1, November 2019, with Save Symondshyde proposals added (bold)

Components of annual dwelling requirements	2013-32		2016-36			2016-36		
	Current OAN		2014-based Sub-National Population Projections	2016-based Sub-National Population Projections	2016-based Sub-National Population Projections	2016-based Sub-National Household Projections		
Demographic starting point		670		650		*593		548
+ allowance for younger households	51		65		73		0	
= Adjusted demographic projection		721		715		666		548
+ Allowance for likely job growth	0		0		0		0	
+ Allowance for market signals	79		85		134		0	
+ Allowance for unmet need 2013-16	0		0				56	
= Objectively Assessed Need		800		800		800		**604
Cumulative uplift from starting point		19%		23%		35%		10%

* With 2014-based headship rates

** This is a maximum figure as it does not take into account the highly likely impact of an over-assessment of international migration into Welwyn Hatfield. That issue is reviewed in our statement to the Stage 2 Hearings under Matter 2, paragraphs 3-11 and in section 5 of the accompanying Green Balance report *Dwelling Requirements in the Welwyn Hatfield Local Plan*, October 2017.

Welwyn-Hatfield Local Plan Examination
Representor: Save Symondshyde

Conclusion

Save Symondshyde remains wholly opposed to the arbitrary and unjustified proposals in the Local Plan for an OAN nearly 200 dwellings per year (one third) higher than our proposal. We therefore consider the Plan as revised to be unsound because it is not justified. The excess of the Plan's OAN at 800dpa rises further to 46% above the demographic starting point when applied to the 2016-based household projections (548dpa). The Council is entirely silent on the amount, on its hypothesis, by which house prices would drop and affordability improve if this assumed number of dwellings were to be built. With the benefit unstated (in our view there would be none), we consider the cost to the Green Belt cannot be justified.

23 December 2019

Save Symondshyde
2 Cromer Hyde Lane
Welwyn Garden City
Herts AL8 7XE