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o/b Mr Melvyn Middleton
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Dear Mr Middleton

WELHAM AND HATFIELD BOROUGH COUNCIL DRAFT LOCAL PLAN – STAGE 9
EX218: TECHNICAL NOTE CLARIFYING OAN PREPARED BY TURLEY (NOVEMBER 2020)

Thank you for the opportunity to respond to the latest consultation regarding the objectively assessed housing need (OAHN) that the emerging plan should meet. Barton Willmore LLP is instructed by Landform Welham Green Ltd, who control some 4.1ha of land at Skimpans Farm, Bulls Lane, Welham Green (reference: WeG6). Landform has engaged positively with the examination of the local plan through the last four years.

The challenge facing the Council is partly due to the protracted nature of the examination and the need to ensure, once the plan is finally adopted, that it is not immediately out-of-date. The plan was submitted in May 2017, with the OAHN, based upon the Council's case, being derived from 2014 Office of National Statistics (ONS). Notably, the plan continues to be examined under the terms of the (National Planning Policy Framework (NPPF) dated February 2012.

The submission draft plan proposed a housing requirement of 12,000, against an identified OAHN in a range of 12,500 to 13,433. This represented a significant shortfall of 1,433 units against the upper range.

The basis of setting the OAHN has continued to change as the examination has continued. On 4 August 2017, you first wrote to the Council (EX03) on the matter:

"The OAN evidence drawn from the Strategic Housing Market Assessments carried out in 2014, 2015 and 2016 indicate that between 12,500 and 13,433 dwellings were estimated to be needed in Welwyn Hatfield at those times. However, the SHMA update 2017, which uses the most recently published 2014-based Sub-National Household Projections suggests that 15,067 (rounded up to 15,200, 800dpa) are now required."

Stages 1 and 2 of the examination took place in September and October 2017. At the end of Stage 2, you asked the Council to address a number of issues and they responded with letters dated 27 February 2018 (EX66 and EX67). In terms of OAHN, the Council responded to the Inspector's observations in March 2018 and confirmed an agreed position of 16,200 dwellings in their OAN technical report prepared by Turley (EX82).

The outcome was an acceptance that the OAHN should be at least 16,000 over the plan period to 2035, based on an annual rate of 800. The principle of the plan being up-to-date in terms of the OAHN was therefore correct and accepted.

On 30 November 2020 you wrote to the Council (EX216) and noted *"My report makes it perfectly clear that details of the additional sites that will make up the supply of housing land to meet the FOAHN figure, along with any evidence that has been used in their selection that is not already before the Examination should be submitted by 30 November 2020 and responses to all of the other outstanding requests for additional information by 31 December 2020". I shouldn't need to remind you but for the avoidance of doubt I will conclude by pointing out that the FOAHN that is currently before the Examination is 16,000 and not whatever alternative figure the Council would prefer it to be.*"

The Turley Technical Note (EX223) the subject of the current consultation would have the effect of decreasing the annual requirement to 715 dwellings per annum between 2016 and 2036. The Council relies upon the report prepared by Turley.

Barton Willmore consider OAHN of 800 dpa remains justified for several reasons. First, although this Plan is being assessed under the 2012 NPPF and OAHN, the Standard Method for calculating local housing need introduced by the 2019 NPPF provides a clear direction of travel. The latest approach was confirmed by Government in December 2020. This shows **minimum** housing need of 875 dpa. In this context an OAHN of 800 dpa is considered proportionate, reasonable, and potentially a conservative estimate of need in Welwyn.

We agree with Turley's position in respect of the 2018 and 2016 ONS household projections, a position which is widely accepted. Turley's decision to use 2014-based MHCLG household formation rates and adjust these upwards in younger age groups is also considered robust in seeking to address the increasing number of concealed households. However, we consider that the 35% uplift to the demographic starting point (593 dpa) to 800 dpa is reasonable considering the 41% uplift that would be required under the 2019 NPPF's Standard Method.

A further point supporting this increased market signals adjustment relates to past levels of delivery in Welwyn. The variant 2018-based ONS projection used by the Council to determine demographic-led need incorporates 5 years net internal migration (2013-2018). Over this time the Council has only delivered 55% (2,200 homes) of its housing requirement (4,000 dwellings). This would have had a significant impact on migration into the authority, thereby suppressing the trends which underpin the demographic projection used by the Council and artificially lowering it.

In this context the 2014 PPG (paragraph ID2a-020) is clear that the response to worsening market signals should include the 'Rate of Development' alongside worsening affordability, stating *"If the historic rate of development shows that actual supply falls below planned supply, **future supply should be increased** to reflect the likelihood of under-delivery of a plan"* (our emphasis).

Taken together, the factors set out above justify the continuation of OAHN at 800 dpa.

It is important to remember that the setting of the OAHN on a correct and robust basis is just one part of the equation. It is the response to the OAHN and how the plan will set the spatial framework for that need to be met which is fundamental to ensuring that much needed homes are actually provided in the right place at the right time. The Council's case is that constraints, primarily Green Belt, mean that the Council cannot meet its full OAHN. A more challenging interpretation of the Council's position is that it is seeking to minimise the contribution that is made to housing needs by identifying an artificial range of constraints as a means of further reducing supply.

As an example, in August 2019 the Council introduced an additional policy constraint in the site assessment process of 'Green Gaps' (EX160), which has allowed it to discount sites that were otherwise assessed as acceptable for release. This was introduced by the Council two years after the local plan had been submitted and was not in response to a question or an interim finding from you. Once the OAHN is set, it is important to examine, without further delay, the potential supply. This should be based upon submitted documents, informed of course by the findings of the Inspector to date.

By way of context, the Inspector will be aware that a future iteration of the plan will be prepared in the context of the standard methodology. The latest iteration of which generates a requirement for 875 dwellings per annum. In addition, the latest Housing Delivery Test (MHCLG 19 January 2021) assessment identifies a supply of just 63% in Welwyn Hatfield. Under the housing delivery test criteria (November 2020), all councils delivering under 75% of their housing requirement are subject to the NPPF's presumption in favour of sustainable development. However, the Council can effectively evade this penalty mechanism as the high level of Green Belt in the district means that departure applications cannot, under normal circumstances, be made.

The 2014-based household projections are used within the standard methodology to provide stability and to ensure that historic under-delivery and declining affordability are reflected¹.

If it is accepted that there is a need to update the OAN with a robust current position, then given government guidance states that 2014-based projections should be used, it would be incorrect for the council to now cite a new OAHN with a different baseline. Such an approach would appear to be entirely self-serving and would disregard the true needs of the district.

I trust these comments are of use and would welcome the opportunity to attend the virtual hearing session on 23rd February.

Yours sincerely

IAIN PAINTING

Senior Partner

cc: Erik Pagano

¹ Housing and economic needs assessment (updated 16 December 2020) Paragraph: 005 Reference ID: 2a-005-20190220