

## Welwyn Hatfield Borough Council

### Welwyn Hatfield Local Plan

#### Update to Housing Trajectory and Five Year Land Supply

May 2020

#### Introduction

At the feedback session to the Stage 9 Hearing Session the Inspector requested an update to the Housing Trajectory and Stepped Target set out in EX244. Appendix 1 to this note provides an update the trajectory in EX244A and reflects the latest position arising from the Stage 9 Hearing Sessions. Housing completions are still being verified for 2020/21 and so have not been recorded as completions. Commitments have been updated to March 2021. As a consequence there is a small increase in the five year housing land supply but this is subject to a significant boost in supply in years 4 and 5. Promoters of sites have given evidence to the examination that the majority of allocations will deliver completions in these years.

#### Five Year Housing Requirement

- Table 1

The Council's site recommendations (excluding PB1) indicate a target of 668 dwellings per year. A five year supply calculation is provided below, using the "Sedgefield" method (meeting previous under delivery during the five years) and a buffer of 20% reflecting previous persistent under delivery.

A Annual housing target	668
B Five year housing target (A X 5)	3,340
C Under delivery 2016-2020	551
D 20% Buffer (B X 20%)	668
E Five Year Requirement (B+C+D)	4,559

Against this requirement the local plan delivers 5.2 years of housing supply, exceeding the requirement by 220 dwellings.

- Table 2

If the Inspector accepts the Council's recommendations for additional sites but decides to retain the sites recommended for deletion and include the potential for land at PB1, the site capacity somewhat exceeds the 800 dwellings per year target indicated previously by the Inspector. Table 2 therefore indicates delivery against the need target of 800 per year, or 16,000 overall.

The following calculations uses the 800 dwelling per year target but retains the other assumptions.

A Annual housing target	800
B Five year housing target (A X 5)	4,000
C Underdelivery 2016-2020	1,079
D 20% Buffer (B X 20%)	800
E Five Year Requirement (B+C+D)	5,879

Against this requirement the local plan delivers 4.4 years of supply, a shortfall of 760 against the calculation. If the calculation is changed to a “Liverpool” approach, providing for the shortfall over the whole plan period, the supply is increased to 4.98 years or a shortfall of 18 dwellings.

### **Potential to increase the five year supply**

The potential to increase the dwellings provided during the five year supply period is limited by a number of factors.

- Sewerage capacity constraints apply within the plan area. While these can be overcome and therefore do not prevent development outright, the evidence from the statutory undertakers is that it can take up to three years after a planning application is permitted for the necessary improvements to be made. This severely limits the ability of housing sites within these constraint areas to fall within the five year supply. The pattern of constraints is not a simple one and can vary between adjoining sites depending on the capacity of local sewers. Delivery implications are picked up in the HELAA site assessments.
- Education provision is generally “lumpy” – a new primary school is of a minimum 2 form entry size and requires a site or groups of sites with a capacity of about 1000 dwellings to justify provision. Provision of developer funding is clearly much less effective, certain and manageable from a large number of small sites (even with the recent relaxation of “pooled” s106 contributions). Further, new schools are unacceptable development in the green belt and therefore new school sites within Welwyn Hatfield can be extremely challenging where sites are not within a local plan allocation.
- Where potential additional allocations require green belt release, this significantly increases the risk to the site promoter of expensive pre-application studies. Smaller developers may therefore wait until the local plan is adopted, and the green belt issue certain, before commencing work on planning applications. This is part of the reason that allocations, even smaller ones, are unlikely to deliver before the fourth year after adoption. It limits the likely five year supply contribution from any additional housing site to about 100 dwellings.
- This local plan is promoting a significant increase in supply compared with the previous adopted plan, and also with previous delivery. It is likely to take some time for the development industry in the area to gear up to meet this challenge, which may impact on delivery rates early in the plan period. This factor is referred to within the Planning Practice Guidance (paragraph 03-34) as one which may lead to the need for a stepped trajectory.
- Years 1 and 2 of the plan period will mainly comprise of existing commitments, in year 3 delivery is expected to improve with some allocations coming forward, whereas in years 4 and 5 the trajectory indicates that annual delivery will be significantly higher than the target. The Inspector has questioned whether the market will in fact deliver a supply in any one year significantly over the target. In order to deliver a five year land supply it will be necessary for as many sites as possible to commence. In reality the market may well result in a slower build out rate than evidence submitted to the examination currently indicates. Monitoring of completions since 2001 indicates that only once have completions exceeded 800 dwellings (812 dwellings in 2003/04). Under the Sedgefield methodology there would need to be sufficient supply to deliver 1,016 dwellings pa in the first five years whereas under the Liverpool methodology there would need to be sufficient supply to deliver 867 dwellings pa. The appropriate buffer then needs to be added to these figures.

## **Conclusion**

Based on the sites submitted to the Inspector, and the associated recommended site removals, the local plan provides for a five year supply of housing starting in 2020/21.

However, against a housing target of 800 dwellings per year, even continuing to incorporate the sites recommended to you for removal, there is a shortage of almost 800 dwellings against the five year supply requirement under the Sedgfield methodology. There are significant infrastructure, economic and structural reasons to make this a difficult gap to fill. Accordingly, it is considered that under these circumstances a stepped target would be justified. Once an overall target has been confirmed by the Inspector, it will be possible to recalculate the five year supply requirement and revisit the need for a stepped target in the plan. Alternatively the Liverpool approach for calculating the five year land supply should be used. This would help to better manage concerns about whether or not the high levels of completions identified in the trajectory for any one year are realistic.