

Welwyn Hatfield Borough Council Local Plan**Housing Note: Supply and Requirement**

- 1.1 This housing note has been prepared in response to a letter received by the Local Plan Inspector (EX290) and sets out the housing requirement for the first five and ten years of the plan as well as the housing supply.
- 1.2 Paragraph 47 of the 2012 National Planning Policy Framework, under which the submitted Local Plan is being examined, sets out that planning policies should: identify specific deliverable sites for years 1-5 of the plan period; specific developable sites, or broad locations for growth, for years 6-10 and, where possible, also for years 11-15.
- 1.3 Adoption of the Welwyn Hatfield Local Plan is expected to take place in 2023, therefore year one of the plan would commence from 1st April 2023 (2023/24) and specific housing sites would be required to be identified until at least 2032/33.

2 Housing Requirement

- 2.1 The tables below set out the housing requirement for the first five and ten years of the plan period based on the Full Objectively Assessed Housing Need (FOAHN) of 760 dwellings per annum and with a start date of 1st April 2023.
- 2.2 The Council has updated its monitoring information to 1st April 2022, with recorded completions of 2,731 dwellings between 2016/17 – 2021/22. Completions for the current year 2022/23 are forecast at 613 dwellings. The shortfall and resulting housing requirement for the remaining plan period has been updated based on this information. Against the requirement of 5,320 dwellings for this period (760 x7 years), this results in an expected shortfall of 1,976 dwellings. The residual requirement for the remainder of the plan period (years 1-13) therefore totals 11,856 dwellings. The housing requirement is presented under four different approaches to making up the past under-supply. In all of these approaches a 20% buffer has been applied to the requirement for years 1-5, as is necessary due to past under delivery. This buffer is moved forward from later in the plan period (years 6-13).
- 2.3 Where possible, any identified shortfall should be addressed in the first five years, in accordance with the Sedgefield methodology for calculating housing land supply. The requirement under the Sedgefield methodology is presented in table 1.

Table 1: Shortfall is made up in years 1- 5 (Sedgefield methodology)

Housing Requirement	Estimate Completions 16/17 - 22/23	Years 1-5 (2023/24 - 2027/28)	Years 6-10 (2028/29- 2032/33)	Years 11-13 (2033/34- 2035/36)	Total Years 1-10 (2023- 2033)
Target (760 dpa)		$(760 \times 5) = 3,800$	$(760 \times 5) = 3,800$	$(760 \times 3) = 2,280$	
Shortfall		1,976	N/A	N/A	
Buffer (20%) Applied to years 1-5, moved forward from years 6-13		$(5,776 \times 20\%) = 1,155.2$	$((-1,155.2/8) \times 5) = -722.0$	$((-1,155.2/8) \times 3) = -433.2$	
Total Required	3,344	6,931.2	3,078.0	1,846.8	10,009.2

2.4 Using the Sedgefield method, over the first ten years of the plan period (in which a supply of specific developable sites needs to be identified) the requirement is for 10,009 dwellings. The five year housing supply requirement would be 6,931 dwellings.

2.5 The requirement has also been presented with the shortfall made up over years 1-10 (table 2). This results in a requirement of 9,935 dwellings over the first ten years, with 5,746 of these dwellings required in the first five years. Meanwhile if the shortfall is made up just in years 6-10 (table 3) this ten year requirement is slightly less at 9,861 dwellings, as the buffer requirement in years 1-5 is applied only to the target rather than the target and shortfall. The five year requirement under this approach is the lowest at 4,560 dwellings.

Table 2: Shortfall is made up in years 1-10

Housing Requirement	Estimate Completions 16/17 - 22/23	Years 1-5 (2023/24 - 2027/28)	Years 6-10 (2028/29- 2032/33)	Years 11-13 (2033/34- 2035/36)	Total Years 1-10 (2023- 2033)
Target (760 dpa)		$(760 \times 5) = 3,800$	$(760 \times 5) = 3,800$	$(760 \times 3) = 2,280$	
Shortfall		$(1,976/10) \times 5 = 988$	$(1,976/10) \times 5 = 988$	N/A	
Buffer (20%) Applied to years 1-5, moved forward from years 6-13		$(4,788 \times 20\%) = 957.6$	$((-957.6/8) \times 5) = -598.5$	$((-957.6/8) \times 3) = -359.1$	
Total Required	3,344	5,745.6	4,189.5	1,920.9	9,935.1

Table 3: Shortfall is made up in years 6-10

Housing Requirement	Estimate Completions 16/17 - 22/23	Years 1-5 (2023/24 - 2027/28)	Years 6-10 (2028/29- 2032/33)	Years 11-13 (2033/34- 2035/36)	Total Years 1-10 (2023- 2033)
Target (760 dpa)		$(760 \times 5) = 3,800$	$(760 \times 5) = 3,800$	$(760 \times 3) = 2,280$	
Shortfall		N/A	1,976	N/A	
Buffer (20%) Applied to years 1-5, moved forward from years 6-13		$(3,800 \times 20\%) = 760$	$((-760/8) \times 5) = -475$	$((-760/8) \times 3) = -285$	
Total Required	3,344	4,560.0	5,301.0	1,995.0	9,861.0

2.6 A commonly used alternative to the Sedgefield methodology for calculating housing land supply is the Liverpool approach, which makes up the shortfall over the whole plan period. Table 4 below presents the housing requirement using the Liverpool approach. The requirement for the first ten years is 9,462 dwellings and the five year housing supply requirement is 5,472 dwellings.

Table 4: Shortfall made up in years 1-13 (Liverpool methodology)

Housing Requirement	Estimate Completions 16/17 - 22/23	Years 1-5 (2023/24 - 2027/28)	Years 6-10 (2028/29- 2032/33)	Years 11-13 (2033/34- 2035/36)	Total Years 1-10 (2023- 2033)
Target (760 dpa)		$(760 \times 5) = 3,800$	$(760 \times 5) = 3,800$	$(760 \times 3) = 2,280$	
Shortfall (see paragraph 1.2)		$(1,976/13) \times 5 = 760$	$(1,976/13) \times 5 = 760$	$(1,976/13) \times 3 = 456$	
Buffer (20%) Applied to years 1-5, moved forward from years 6-13		$(4,560 \times 20\%) = 912$	$((-912/8) \times 5) = -570$	$((-912/8) \times 3) = -342$	
Total Required	3,344	5,472.0	3,990.0	2,394.0	9,462.0

2.7 The difficulties associated with meeting the various approaches to making up the shortfall, as well as justification for the Council's preferred approach are discussed in section 4 of this note.

3 Housing Supply

- 3.1 At a meeting of Cabinet Planning and Parking Panel (CPPP) in July 2022, the Council agreed to a strategy which would provide a supply of 12,775 dwellings over the plan period. It should be noted that this agreed strategy did not include the three sites HS22 (BrP4), HS29 (Cuf7) and HS30 (Cuf12), which were in the submitted Draft Local Plan and found sound by the Inspector. Including these additional three sites (and including the extension at BrP4a) the total housing supply over the plan period increases to 13,351 dwellings. The supply and strategies explored in this note *include* these three sites, *however* it should be highlighted their inclusion is no longer supported by members. In addition, the Gypsy and Traveller site at Barbraville (GTLAA08), which was in the Submitted Draft Local Plan for 4 pitches, has also been added to the supply presented here.
- 3.2 Since the housing trajectory was presented at CPPP in July 2022, there has been minor revisions to anticipated delivery rates at North West Hatfield (Hat1). The overall total at this site remains the same, however, slightly higher rates of completions have been forecast in the middle part of the plan compared with those previously outlined. Delivery rates are now in line with information provided by the promoter - the Council had previously forecast a slightly more cautious estimate, however it is considered that delivery rates of 200 dpa in peak years are not unreasonable. Whilst this does not result in any change to the overall supply, it does result in an additional 75 dwellings falling within the ten year period compared with previously outlined, and 75 fewer dwellings in years 11-13.
- 3.3 The appeal decision at the BioPark site in WGC (Pea102) has also been issued since the CPPP meeting in July 2022, and was allowed, with permission granted for 289 dwellings. The capacity at this site has now therefore been updated in line with the planning permission resulting in an additional 39 dwellings at this site (previously included in the Local Plan supply at 250 dwellings).
- 3.4 Meanwhile the capacity at HS31, Garages at Hollyfield, in Hatfield has been reduced very marginally to 8 dwellings from 10 dwellings, to reflect what has recently been granted permission at this site.
- 3.5 Table 5 below presents a summary of the housing supply broken down by plan period. This includes the three sites no longer supported by members and Barbraville. The

detailed housing trajectory, which includes specific sites is attached as an Appendix to this note.

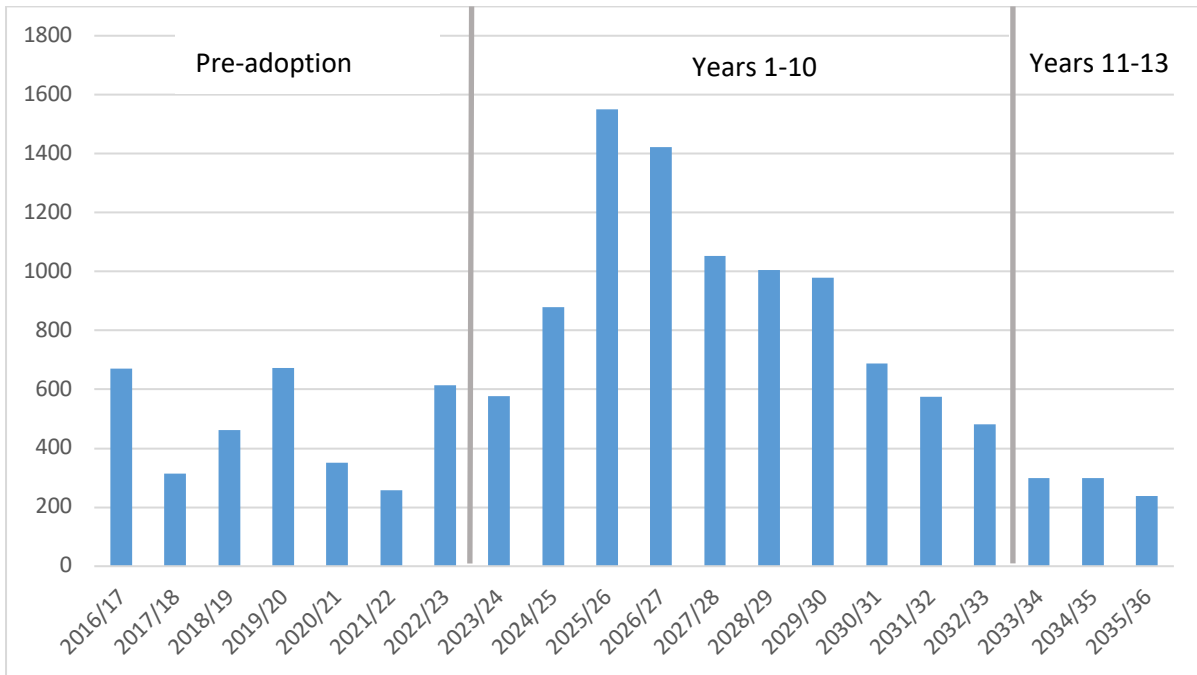
Table 5: Housing Supply Summary by Plan Period

	Pre-adoption 16/17- 22/23	Years 1-5 (2023/24 - 2027/28)	Years 6-10 (2028/29- 2032/33)	Total Years 1-10 23/24- 32/33	Years 11- 13 33/34- 35/36	Total Supply 2016-36
Completions 2016-22	2,731	0	0	0	0	2,731
Estimate completions 22/23	613	0	0	0	0	613
Commitments*	N/A	462	24	486	0	486
Windfall	N/A	417	695	1,112	417	1,529
Small Sites	N/A	5	8	13	0	13
Site Allocations*	N/A	4,597	3,001	7,598	422	8,020
Total	3,344	5,481	3,728	9,209	839	13,392

* excludes any site allocations/commitments which are forecast to complete in 2016-23 as these are included in the completions/estimated 22/23 completions figures.

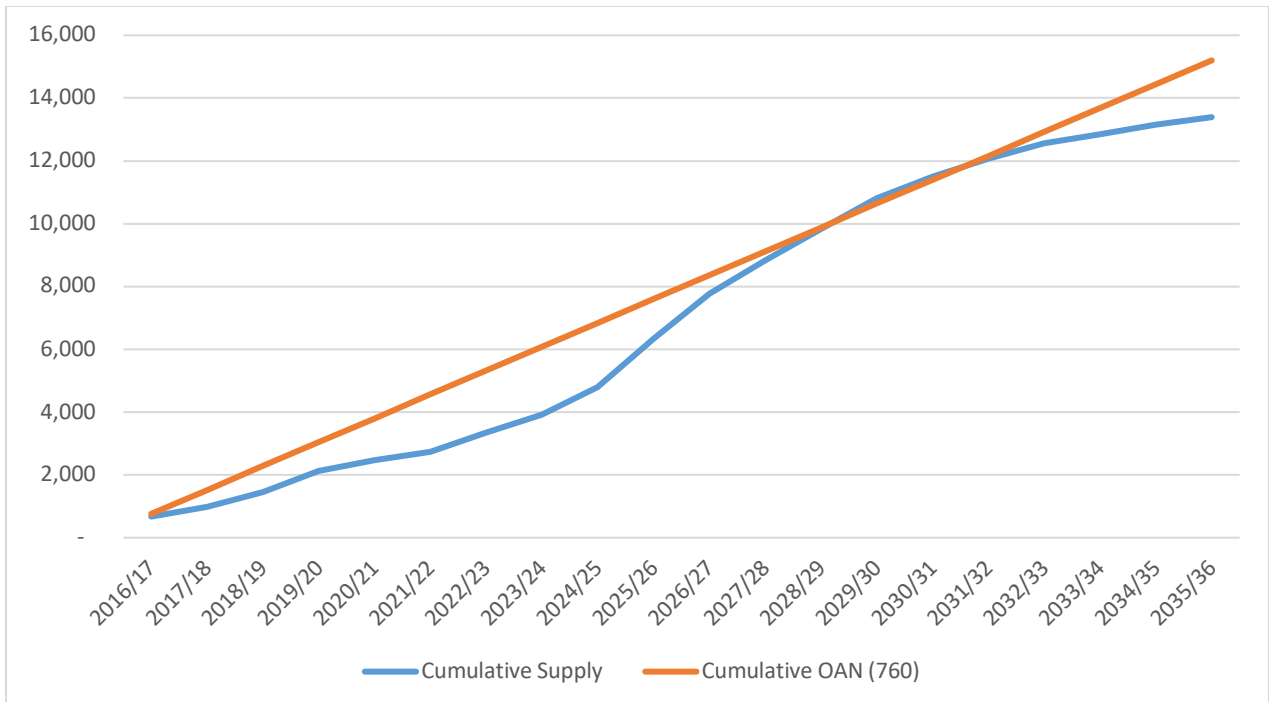
- 3.6 As noted, housing completions prior to the plan's adoption are forecast to total 3,344 dwellings. Opportunities have been identified on specific developable sites in and around the towns and excluded villages to facilitate the delivery of 9,209 dwellings over the first ten years of the plan, following anticipated adoption in 2023/24. Therefore over the 17 year period between the start of the plan in 2016/17 and the end of the first ten years (2032/33), total identified supply amounts to 12,553 dwellings (an average of 738 dwellings per year). A further 839 dwellings have been identified for years 11-13 (2033/34 to 35/36), with total identified supply over the plan (2016/17 – 2035/36) of 13,392 dwellings.
- 3.7 Whilst this falls short of the Full Objectively Assessed Housing Need (FOAHN) of 15,200 dwellings over the full plan period 2016-36, an early review will consider additional sites to be allocated to meet the remaining requirement from year 11, and will provide an opportunity to examine the plan's performance to that date. The review will be undertaken in the context of housing need and national policy at that time and will be submitted within five years from adoption.
- 3.8 The delivery of 738 dwellings per annum to 2032/33, still represents a significant uplift of 58% above the baseline demographic 'starting point' and would make an allowance to help improve both household formation rates among younger people and affordability. Figure 1 below shows total anticipated housing supply by year.

Figure 1: Housing Supply Trajectory to 2035/36



3.9 Figure 2 below shows the cumulative housing supply against the cumulative OAN requirement. By years 7 and 8, housing completions are anticipated to exceed the cumulative OAN, however as delivery levels are forecast to fall again from this point, by year 9 completions will again be slightly below target. The review, which will take place within 5 years from adoption, will aim to identify sites to assist with delivery in these later years.

Figure 2: Cumulative Housing Supply compared with OAN (760)



4 Approaches to making up the Shortfall

4.1 Whilst the Sedgefield method (which makes up any previous under delivery within the first five years) is the preferred approach, there are circumstances where other approaches to making up the shortfall might be more appropriate. In neighbouring authority East Herts the Inspector adopted an approach making up the shortfall over a 10 year period, and in North Herts shortfall will be made up across the entire plan period (the Liverpool method). Both of these authorities also face Green Belt constraints similar to Welwyn Hatfield. Table 6 compares the housing requirement under each approach (the detailed calculations for how these figures have been arrived at was presented in section 2 of this note).

Table 6: Housing Requirement (760 dpa) under each approach to making up the shortfall

Approaches to making up the Shortfall	Estimate Completions 16/17 - 22/23	Years 1-5 (2023/24 - 2027/28)	Years 6-10 (2028/29-2032/33)	Years 11-13 (2033/34-2035/36)	Total Years 1-10	Total Plan Period
Sedgefield (makes up shortfall in years 1-5)	3,344	6,931	3,078	1,847	10,009	15,200
Shortfall is made up over years 1-10	3,344	5,746	4,190	1,921	9,935	15,200
Shortfall is made up in years 6-10	3,344	4,560	5,301	1,995	9,861	15,200
Liverpool (makes up shortfall over plan period, 1-13)	3,344	5,472	3,990	2,394	9,462	15,200

4.2 The table below discusses the difficulties associated with the approaches which make up the shortfall within the first five or ten years and concludes that, in this instance, the Liverpool method is the most appropriate and preferred approach.

Addressing the Shortfall

Sedgefield Approach (makes up shortfall in years 1-5)	<ul style="list-style-type: none"> The extent of the shortfall (of just under 2,000 dwellings), combined with the requirement for a 20% buffer to be made available in years 1-5, results in a substantial uplift in the housing requirement over the first five years to 6,931 (or 1,386 dwellings per annum) under the Sedgefield approach. Not only would this be a substantial step-up from recent average delivery levels (of 455 dpa from 2016 - 2022), it would also be considerably higher than the OAN of 760 dpa. Monitoring of historical completions since 2001 shows that the highest level of delivery in a single year was 812 dwellings in 2003/04, which is well below the requirement under the Sedgefield methodology.
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	<ul style="list-style-type: none"> • Supply in the first years of the plan period will largely be made up of commitments and urban local plan sites which already have planning permission granted or an application submitted. Analysis on delivery timescales at historical sites in the borough shows that the time from a planning application being submitted to construction commencing takes on average just under two years. Therefore it is generally not expected that Green Belt sites would start delivering housing completions until at least year 3 of the plan period following adoption. Despite high levels of forecast delivery in years 3, 4, and 5, it would still not be possible to make up the shortfall under the Sedgefield approach (and this remains the case even if all potential sites contributing to the 5YHLS were included). • Part of the justification for an OAN of 760 was due to the Employment strategy and the creation of jobs which, if exceeds growth in the economically active population, could lead to an increase in net commuting. However, as new employment land at Local Plan sites is not expected to deliver additional jobs until year 4 onwards, it could therefore be argued that it is inappropriate to front load this part of the shortfall in provision, particularly as the borough has so far seen an overall loss of employment land since the start of the plan period. • Under the Sedgefield methodology, Welwyn Hatfield would not have a five year housing land supply on adoption which would leave the Council at risk of planning appeals from speculative applications and potentially undermine the plan-led system.
<p>Making up the shortfall over years 1-10</p>	<ul style="list-style-type: none"> • If the shortfall were to be made up over years 1-10, nearly 1,000 dwellings would still need to be added to the requirement in the first five years. Along with the need for a 20% buffer, this would still result in a very high requirement in the first five years of some 5,746 dwellings. • Therefore many of the arguments made above for the Sedgefield method would still apply under an approach which makes up the shortfall over years 1-10.
<p>Making up the shortfall over years 6-10</p>	<ul style="list-style-type: none"> • This approach does not begin to address the shortfall until year 6 and results in the lowest requirement for the first five years. However, it would be preferable to begin to make up shortfall immediately to assist in addressing affordability issues. As the housing supply identified in

	<p>section 3 for years 1-5 would be some 900 dwellings above the requirement under this approach, it would be preferable that at least some of the shortfall is dealt with in the first five years.</p> <ul style="list-style-type: none"> • Under this approach the Council would have the strongest five year supply position upon adoption, this would be favourable as it would leave the Council at less risk of speculative planning applications and would support the plan-led system being implemented. • However, the requirement for years 6-10 would be much higher than in any of the other approaches, some 1,500 dwellings above the supply for this period.
<p>Liverpool approach (makes up shortfall over plan period, years 1-13)</p>	<p><u>Preferred approach</u></p> <ul style="list-style-type: none"> • The Liverpool approach would begin to address the shortfall from year 1 following adoption and the shortfall would be spread more evenly over plan period. Given the extent of shortfall and requirement for a 20% buffer in years 1-5, this is considered a much more achievable and realistic approach. • Whilst the Council will only be identifying a supply of sites to meet a ten year requirement, the identified supply which extends beyond the ten years (of 839 dwellings) would more than meet the shortfall in years 11-13 associated with the Liverpool approach. • Under the Liverpool approach the Council would meet a five year supply upon adoption which, as mentioned, would be favourable as it would leave the Council at less risk of speculative planning applications and planning appeals which could result in less sustainable development and undermine the plan-led system. • For the reasons discussed above the Liverpool method is the preferred approach for making up the shortfall. It should be noted that this approach does not prevent the shortfall being made up sooner than year 13. In fact, the 20% buffer requirement applied in years 1-5 is for supply to be made available, therefore if this supply comes forward as forecast this would actually contribute to making up the shortfall more quickly.

4.3 Table 6 compares the housing requirement under the Liverpool approach to the housing supply. The Council would be able to meet a five year supply at the point of

adoption, although the identified supply for the whole ten year period would be slightly below the requirement by some 250 dwellings. The identified supply to the end of year 10, which equates to an average of 738 dpa over the first 17 years, would only be 3% below the OAN of 760dpa, and would still go a significant way in assisting to improve affordability and household formation rates among younger people. The remaining 253 dwellings could be added to the requirement for years 11-13 and considered in the early review.

Table 6: Housing Supply compared with Requirement of 760 dpa (Liverpool Approach)

	Estimate Completions 16/17 - 22/23	Years 1-5 (2023/24 - 2027/28)	Years 6-10 (2028/29- 2032/33)	Total Years 1-10 (2023-2033)	Years 11-13 (2033/34 – 35/36)	Total Plan Period
Housing Supply	3,344	5,481	3,728	9,209	839	13,392
Housing Requirement	3,344	5,472	3,990	9,462	2,394	15,200
Performance against requirement	N/A	+9	-262	-253	-1,555	-1,808

4.4 The proposed approach therefore reduces the housing target to 738 dpa over the first 17 years of the plan (2016/17 – 2032/33). This would be in line with the supply for this period and the remaining 2,654 dwellings would be made up in the last three years (885dpa over 2033/34-35/36). This would give the Council 5.2 years housing supply at adoption and would mean that there would be sufficient identified supply to the end of year 10. The requirement for each period under this approach is presented in table 7 on the next page. The overall target would be phased over the plan period at the following rates:

- 738 dpa over the 17 years 2016/17 – 2032/33;
- 885 dpa over the 3 years 2033/34 to 35/36.

Table 7: Housing Supply compared with a Requirement of 738 dpa 2016/17–2032/33; 885 dpa 2033/34–2035/36 (Liverpool Approach)

	Estimate Completions 16/17 - 22/23	Years 1-5 (2023/24 - 2027/28)	Years 6-10 (2028/29- 2032/33)	Total Years 1-10 (2023- 2033)	Years 11- 13 (2033/34 – 35/36)	Total Plan Period
Housing Supply	3,344	5,481	3,728	9,209	839	13,392
Housing Requirement	3,344	5,268.9	3,841.92	9,110.85	2,746.2	15,201
Performance against requirement	N/A	+212	-114	+98	-1,907	-1,809

Appendix 1 - Housing Trajectory

Supply Source	Plan period actual/estimated housing delivery by year															Total plan period
	Pre-adoption		Years 1-5					Years 6-10					Years 11-13			
	2016/17 - 2021/22	2022/23	1 2023/24	2 2024/25	3 2025/26	4 2026/27	5 2027/28	6 2028/29	7 2029/30	8 2030/31	9 2031/32	10 2032/33	11 2033/34	12 2034/35	13 2035/36	
Completions (16/17-21/22)	2,731															2,731
Commitments		233	261	119	89		-7	24								719
Windfall					139	139	139	139	139	139	139	139	139	139	139	1,529
Small Sites		3		5							8					16
WGC4/4a (SDS1) - North east of WGC				150	150	162	150	140	120							872
WGC5 (SDS2) - South east of WGC					100	150	150	100	100							600
Pea02b (SDS3/4) - Broadwater Road West (N), WGC		208		100	226	226	235	138	135	135						1,403
Pea02c (SDS3/4) - Broadwater Road West (SW) - Pall Mall, WGC											95	76				171
Han40 (MUS1) - WGC Town Centre North, WGC								33	34	33						100
Pan01b (HS1) - Land at Bericot Way (N) , WGC																0
WGC1 (HS2) - Creswick, WGC				70	90	90	90									340
Pea08 (HS3) - 80 Bridge Road East, WGC								16	16							32
Hal03 (HS4) - Ratcliff Tail Lift Site, WGC		30	29													59
Hol19 (HS5) - Hyde Valley House, Hyde Valley, WGC			13													13
Han91 (HS6) - Land at Gosling Sports Park, WGC									50	50						100
Pea24 (HS8) - St Michaels House, Holwell Road, WGC													11	11		22
Han40a - Town Centre North- Campus East, WGC				50	100	100										250
Pea102 (SDS3/4) - Bio Park, Broadwater Rd, WGC					144	145										289
Pea104 - YMCA, 90 Peartree Lane, WGC			29													29
Hol23 - Neighbourhood Centre, Hollybush Lane, WGC											16					16

Supply Source	Plan period actual/estimated housing delivery by year															Total plan period
	Pre-adoption		Years 1-5					Years 6-10					Years 11-13			
	2016/17 - 2021/22	2022/23	1 2023/24	2 2024/25	3 2025/26	4 2026/27	5 2027/28	6 2028/29	7 2029/30	8 2030/31	9 2031/32	10 2032/33	11 2033/34	12 2034/35	13 2035/36	
GTLAA01 (HS35) - Foxes Lane, Dixons Hill Rd, Wel Green			12													12
WeG1 - 51 Welham Manor, Wel Green				16												16
WeG3a Land South of Wel Manor, Wel Green				24	44											68
WeG10 - Dixons Hill Road, Wel Green								60	60							120
BrP13 (HS21) - Land west of Golf Club Rd, Brookmans Park					14											14
BrP14 (HS23) - Land east of Golf Club Road, Brookmans Park				10												10
BrP4/4a (HS22) - Land West of Brookmans Park Station								85	86	86	86	85				428
LHe1 (HS24) - Land N of Hawkshead Rd, Little Heath				17	18											35
LHe4/5 - Part of Studlands/Videne, Little Heath				16	47											63
No02 (HS26) - 36 The Ridgeway and land to the rear, Cuffley		6														6
Cuf1 (HS27) - Land at The Meadway, Cuffley					20	40										60
Cuf6 (HS28) - Land south of Northaw Road East, Cuffley			35	46	40											121
Cuf12 (HS29) - Land North of Northaw Road East					18	55										73
Cuf7 (HS30) - Wells Farm, Northaw Road East				14	61											75
GTLAA08 (HS33) - Barbraville, Hertford Road nr. Mill Green					4											4
Total Supply	2,731	613	576	879	1,550	1,423	1,053	1,004	980	688	575	481	300	300	239	13,392
	2,731	613	5,481					3,728					839			13,392
Cumulative Supply	2,731	3,344	3,920	4,799	6,349	7,772	8,825	9,829	10,809	11,497	12,072	12,553	12,853	13,153	13,392	

