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Dear Sir/Madam,

**Welwyn Hatfield Local Plan (2013-2031) Public Examination
July 2019 consultation on new examination documents**

On behalf of Aurora Properties (UK) Ltd (Aurora), we write in response to your email of 20 July 2019, and the Welwyn Hatfield Local Plan consultation published by the Inspector in relation to new examination documents.

The Examination Documents subject of this consultation cover a wide range of matters. For the purposes of this response, we focus on the following documents and the Council's proposal to amend the plan period:

- EX103 – Welwyn Hatfield: Cabinet Planning & Parking Panel: Local Plan Housing Update Report;
- EX103B – Implications of a new plan period, Turley.

In response to these documents, we make the following points:

1. The scenarios set out in the Cabinet Planning and Parking Panel (CPPP) report do not reflect the housing position that has been set out in the Examination in Public;
2. There is no justification for omitting years 2013-16 from the proposed plan period and the annual OAN has not been increased to accommodate this period;
3. The total OAN should account for the shortfall in delivery of 1,186 dwellings between 2013-16.

Further call for sites

As the Inspector will be aware, Welwyn Hatfield Borough Council (WHBC) undertook a further call for sites in May/June 2019 to seek to identify sites that would enable it to meet its Objectively Assessed Need (OAN). Whilst the Inspector proposed Hearing Sessions on site allocations in November/December 2019, WHBC has now postponed the publication of its new call for sites results until November 2019. It therefore seems likely that the proposed site allocations Hearing sessions will need to be postponed until 2020.

This will create additional delays in the adoption of the Local Plan, additional delays to the actual delivery of new homes in the borough, and importantly means that the full implications of the documents contained in this consultation cannot be understood or examined until the Council updates its site allocations.

The following response considers the consultation documents on the basis of the current site allocations, but we recommend that such matters are revisited when new proposed site allocations are examined.

Amending the plan period

Scenarios proposed by WHBC

On 3 July 2019, WHBC submitted to the Cabinet Planning and Parking Panel (CPPP) a report on the implications of the 2016 household and population projection for the Local Plan [EX103]. That report included an assessment of the implications of changing the plan period and was assessed in a report by Turley [EX103B].

It is important to note that the recommendation of the report to the CPPP was to “note” the content of the report, and that the report would be subject of consultation, should the Inspector consider it appropriate. The CPPP did not resolve to implement an alternative plan period, or to reduce the Housing Target which would be the consequence of that action.

Paragraphs 4.17 to 4.22 of the CPPP report set out three scenarios for proposed amendments to the Local Plan period:

Table 1: CPPP scenarios

Scenario	Summary	Additional sites requirement
A	Plan period to remain at 2013-2033	2,449
B	Plan period to be revised to 2013-2035, with an OAN of 17,600 and an additional windfall total of 1,388 dwellings	3,715
C	Plan period to be revised to 2016-2035, with an OAN of 15,200	2,529

However, these three scenarios include the allocation of a new settlement within Policy SP24, at Symondshyde, for 1,130 dwellings. This is despite the confirmation provided by the Council at the Examination in Public, and the Inspectors agreement, that the allocation of SP24 should be assessed sequentially. SP24 should only be allocated after other suitable opportunities for new dwellings adjoining existing settlements, including the four large villages, are exhausted.

The scenarios contained within the CPPP report should therefore reflect that the allocation of SP24 should not be included in the sum of 8,620 “Allocations in the Local Plan”.

Furthermore, the CPPP report scenarios should reflect that 598 homes currently allocated in the submission plan are on sites which LUC found to be High Harm to the Green Belt. The Inspector has stated [EX97B] that the allocation of sites that would be High Harm if released from the Green Belt would not be sound. If SP24 and sites of High Harm were removed from existing site allocations in the Plan, the scenarios should be as follows:

Table 2: CPPP scenarios adjusted to discount SP24 (Symondshyde) and High Harm sites

Scenario	Summary	Additional sites requirement – excluding SP24 and High Harm sites
A	Plan period to remain at 2013-2033	4,177
B	Plan period to be revised to 2013-2035, with an OAN of 17,600 and an additional windfall total of 1,388 dwellings	5,443
C	Plan period to be revised to 2016-2035, with an OAN of 15,200	4,257

As presented in the CPPP report [EX103], the Council’s three scenarios do not accurately reflect the position which the Inspector and Council have set out in the Examination.

Turley assessment

WHBC commissioned Turley to prepare a technical note considering the implications of a new plan period for the calculated housing need, dated June 2019 [EX103B]. In order to maintain a 15-year plan period post-adoption, the Turley note considers a revised plan period of 2016-2035.

The Turley technical note gives little consideration and no justification for the omission of years 2013-2016 from the plan period.

At paragraph 3.1, the Turley note asserts that in re-basing a plan period, it is not necessary to directly take into account a quantified level of historic undersupply, but rather to acknowledge evidence of a worsening of market signals.

The Turley report cites the following two court judgements. We have included our comments on these judgements after each respective case reference:

- **Zurich Assurance Ltd vs Winchester City Council and South Downs National Park Authority [March 2014]**: this High Court judgement considered how a shortfall should be assessed for figures outside of the plan period from a regional plan – it did not relate to the way in which housing numbers should be considered for a re-based plan period within the same plan.
- **Secretary of State (APP/C1570/A/14/2213025)**: this is an appeal decision of very different circumstances. Paragraph 6.17 of this decision considers the housing shortfall/backlog. It concludes that *“any alleged backlog from prior to the current plan period is a step too far. Those whose need went unmet then are either still there, and part of the current need, have moved away, or had their needs met, albeit later than hoped. There is no rule or principle establishing how far back one should go. Going back to the start of the previous plan period in 2001 would have no justifiable explanation.”* This decision related to unmet need in the context of a planning application – for WHBC it cannot be concluded that the omission of undersupply for years 2013-2016 relates to a population whose needs have already been met.

This position is contrary to Planning Practice Guidance, which sets out that *“where an alternative approach to the standard method is used, past under delivery should be taken into account.”*¹ This approach, and the incorporation of past under delivery, has been identified in the following examinations:

- In the examination of the **Waverley Borough Council Local Plan** (February 2018), the Inspector, Jonathan Bore, required Waverley to accommodate part of Woking’s unmet need, including that need which had been growing from the start of Woking’s plan period. He concluded that this needed to be addressed (Inspectors Report, para.28).
- The **Sefton Local Plan** identified and apportioned the housing shortfall that was accrued for the period 2012-15, prior to the commencement of the plan period in 2015, over the entire plan period. The Inspector, in his March 2017 report, accepted this approach.
- The **Teignbridge District Council Local Plan** included a 20% additional requirement in the first five year period of the plan to account for past under-delivery (Inspector’s Report, April 2014).
- The **High Peak Local Plan** identified and accounted for a shortfall in housing provision since 2006 – prior to the start of the plan period in 2011 (Inspector’s Report, February 2016).
- The **East Staffordshire Local Plan** identified and included recorded under-delivery of dwellings for the period prior to the adoption of the Local Plan (Inspector’s Report, October 2015). Whilst this fell

¹ Planning Practice Guidance – Paragraph: 011 Reference ID: 2a-011-20190220

within the plan period, it was a direct inclusion of under-delivery since the preparation of the Local Plan.

- The **Hartlepool Local Plan** included allowance within the OAN of the 'strategic' backlog of housing which constituted its under-delivery, and a further allowance for the additional backlog that had occurred subsequent to the plan period commencement.

Local Plans should account for past under delivery, and this should also apply where a new plan period is proposed. The WHBC proposal is not a positive, rational or justifiable approach. As set out below, its effect is simply to "write off" the housing under-delivery in the period 2013 to 2016.

Implications of a new plan period

The WHBC Annual Monitoring Report (2017/18) sets out the residential completions for the period of 2013/16. When assessed against the OAN of 800 units per annum, there is a total shortfall of 1,186 dwellings for that period (Table 3).

Table 3: WHBC Annual Monitoring Report, net completions

Year	Net Completions per annum (WHBC AMR 2017/18)	Objectively Assessed Need (OAN) per annum	Deficiency/Excess to OAN per annum
2013/14	316	800	-484
2014/15	391	800	-409
2015/16	507	800	-293
Total shortfall			-1,186

This equates to 1,186 dwellings which are not being delivered to meet the needs of WHBC. These units should be accounted for in the scenarios set out by WHBC, and given the delay in their delivery, they should be delivered at an early stage of the new plan period.

Notwithstanding the above shortfall – which should be included in any potential change to the plan period – Turley give consideration to long-term worsening market conditions in Welwyn Hatfield. They reference significant growth in house prices and a worsening affordability ratio (para. 3.4). At paragraph 3.5, they conclude that the imbalance between "supply" and "need" over this period has contributed to this worsening.

The affordability ratio of lower quartile earnings to house prices in the borough has risen from 8.66 in 2013 to 12.22 in 2017 [Table 18 page 34 – WHBC AMR 2017-2018] (a rise of 41% in just four years) and in Brookmans Park (the most expensive housing in the borough) the affordability ratio is now in a range of 24-27:1 and getting worse every year. The need for the provision of new housing for younger households has clearly never been so acute. It is necessary to allocate and deliver more, not less, homes to address these obvious market signals.

In bullet points 4 and 5 of paragraph 4.2, Turley recognise the need to include a more pronounced adjustment uplift to account for the suppression of younger household formation and the worsening market signals. However, Turley subsequently conclude that the current, rounded OAN of 800 dwellings per annum (dpa) remains reasonable and justified over the significantly shorter alternative period. This is an irrational conclusion, without plausible explanation or justification.

In addition to the "written-off" housing shortfall of 1,186 dwellings in the period 2013 to 2016, the outcome of amending the plan period to 2016-35 with an annual OAN of 800 dpa, would result in a total OAN of 15,200 dwellings – a further reduction of 800 units from the current total OAN of 16,000 dwellings for the period 2013 to 2033.

Based on the rounded OAN of 800 dpa, a total of 17,600 dwellings would be required for the full period of 2013-35. This would create a delta of 2,400 dwellings between the full OAN (2013-35) and the proposed OAN for the amended plan period (2016-35).

It cannot be held that the proposed market adjustment justifies the unchanged annual OAN of 800 dpa, the worsening market trends, or the historic under-delivery that has occurred in WHBC in the period 2013 to 2016.

The proposed amendment to the plan period, to omit years 2013-16 without accounting for the historic shortfall, would:

- **Not significantly boost the supply of housing;**
- **Not be positively prepared** – it would create a strategy which seeks to reduce and under-deliver against the objectively assessed needs of the area;
- **Not be justified** – the conclusion to maintain the same rounded OAN has not been adequately justified and it is therefore not an appropriate strategy to omit the under-delivery of units between 2013-16;
- **Not consistent with national policy** – the NPPF sets the objective to significantly boost the supply of homes; the proposed approach would be diametrically opposed to national policy and seek to suppress housing supply. It also conflicts with Planning Practice Guidance, which states that past under delivery should be taken into account in preparing plans.

Conclusion

This consultation response has focused on the Council's proposal to amend the plan period to run from 2016 to 2035, including the negative and unjustified removal of years 2013-16. It is recognised that the Council has not yet formally resolved to make this amendment to the draft Local Plan, but if it does, the plan would be significantly different from the submitted plan and would not be sound.

The scenarios set out in the CPPP report [EX103] and the accompanying Turley assessment [EX103B] that exclude years 2013-16 would seek to overtly omit a shortfall of 1,186 dwellings from the total OAN. The evidence contained within the consultation documents does not demonstrate a justified approach to maintaining the same rounded annual OAN. Rather, it is a negative approach that would serve to suppress housing supply and significantly reduce the total OAN against the period 2013-35 (17,600).

The proposed 2016-35 plan period, unless uplifted to account for historic under delivery, would result in an unsound plan, which is not positively prepared; not justified; nor consistent with national policy.

It is acknowledged that it will be necessary for the plan period to be extended to at least 2035, in order to maintain a 15 year post-adoption period. However, this should not be at the expense of current and urgent housing needs, which are continuing to worsen by increased unaffordability and a lack of supply.

The NPPF requires Local Plans to meet objectively assessed needs, with sufficient flexibility; neither of which have been taken into consideration by the Council in its application of the OAN.

The Welwyn Hatfield borough has just two towns and four large villages (three of which have railway stations). The Council's proposal to adopt a negative policy in SP3 towards the delivery of housing in the four large villages is the root cause of (i) the repeated delays to the Examination and (ii) the Council's persistent failure to meet its OAN. Had the Council taken a positive attitude towards the suitability and sustainability of the four large villages, the OAN would have been met, in full, from the outset of this Examination.

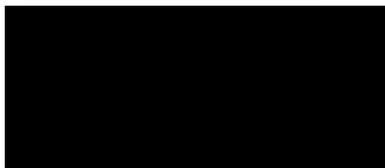
The Examination has made clear that the proposed new settlement in Symondshyde should only be allocated after all suitable sites adjacent to existing urban areas have been exhausted and that the allocation of sites which would cause High Harm, if released from the Green Belt, would not be sound. The challenge for the Council is therefore clear. It should change the restrictive and negative policy in SP3 and it should seek to

allocate suitable and sustainable sites adjacent to the four large villages. Only when this has been done will it be possible to assess any shortfall in meeting the full OAN.

From the outset of the plan preparation in 2012, WHBC has sought every opportunity to reduce its Housing Target, to distort the fair and reasonable distribution of housing throughout the borough (in the most suitable and sustainable locations) and to delay housing delivery. The Council's emerging proposal to advance the plan's commencement date from 2013 to 2016, in order to reduce housing delivery, is simply the latest chapter in that saga.

This is an unusually long and protracted Examination where the Council is now seeking to significantly change the submitted Local Plan to a new Plan. The consequence of this will be more delay both to the Examination and the practical delivery of new homes in the Borough.

Yours sincerely,



John Adams
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