



WELWYN HATFIELD LOCAL PLAN EXAMINATION

**COMMENTS IN RESPONSE TO THE CONSULTATION ON
EXAMINATION DOCUMENTS EX103A, EX103B, EX103C AND
EX103D**

**Prepared by Strutt & Parker on behalf of Ptarmigan Land and Mrs C
Horton 1974 Discretionary Settlement (ID 745197)**

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1.0 Introduction

- 1.1 This document is the formal response of Ptarmigan Land and Mrs C Horton 1974 Discretionary Settlement (ID 745197) to the publication of Examination Documents EX103A – EX103D inclusive. The response to each of these documents is set out below, and the Inspector is requested to give his consideration to the points raised in relation to each document.

2.0 Document EX103A

- 2.1 This document is a technical note prepared by Turley in June 2019 on behalf of Welwyn Hatfield Borough Council entitled “*Welwyn Hatfield Technical OAN Paper – The Implications of the 2016-based SNPP and SNHP on the Welwyn Hatfield OAN*”. The first important point to make is that the note confirms that the Examination of the Welwyn Hatfield Local Plan 2013-2032 is progressing under the transitional arrangements set out in the revised National Planning Policy Framework (NPPF) published in July 2018. As stated at paragraph 5 of the Executive Summary, “*this is important with regards to the calculation of housing need, as it requires the Council to continue to evidence and justify its OAN in the context of the methodology previously prescribed under the PPG rather than basing it upon the standard method referenced at paragraph 60 of the revised NPPF*”.
- 2.2 Nevertheless, the relevant PPG requires the latest available household projections to be used as the starting point when assessing housing needs, which may signal a ‘meaningful change in the housing situation’. The Welwyn Hatfield OAN has been calculated using the 2014-based household projections as its starting point, with an allowance for vacancy and a cumulative 19% adjustment to allow for younger household formation and to take account of worsening market signals. The purpose of the technical note is to test the more recently published 2016-based population (SNPP) and household (SNHP) projections against the 2014-based OAN (which is 800 homes per annum during 2013-2032) and to determine whether there is a meaningful change to that requirement.
- 2.3 The 2016-based SNHP indicate that 10% fewer households will form in Welwyn Hatfield during 2013-2032 compared to the 2014-based projections (11,082 and 12,345 households respectively). The 2016-based SNPP indicate an increase of 24.1% in the population of Welwyn Hatfield during 2013-2032, which compares to a projected increase of 23.5% as indicated by the 2014-based SNPP. This trend is shown to be consistent with an annual population growth of 1.1% as contained in the 2017 Strategic Housing Market Assessment (SHMA). Therefore, in terms of population growth there is a very close alignment between the 2014-based SNPP and the 2016-based SNPP, and the technical note concludes that there is not a meaningful change to the housing situation arising from that data.
- 2.4 The technical note references the methodological changes that occurred in the production of the 2016-based SNHP in comparison to the methodology used for the production of the 2014-based SNHP. It further notes the Government’s latest position that, for the purposes of calculating housing need under the standard method, local authorities should not use the 2016-based SNHP. The note comments that the revised

2016-based assumptions on household formation rates have a clear impact in Welwyn Hatfield and “*there is clearly a prospect that the 2016-based assumptions will underestimate the household growth that will result from future change in the population (2016-based SNPP), where household formation continues at the rates envisaged in the 2014-based SNHP*”.

- 2.5 The note considers, in summary, that whilst the 2016-based SNHP imply a notably lower level of household formation in Welwyn Hatfield over the period (2013-2032) for which the OAN has previously been calculated, this reduction is almost entirely caused by the methodological changes made by the ONS in generating the projections. This has led to the Government’s concerns regarding the use of those projections. The technical note advises that the previous 2014-based household formation rates should be retained for the purposes of assessing housing need in Welwyn Hatfield at the current time.
- 2.6 However, the note does confirm that the close alignment between the 2014-based SNPP and the 2016-based SNPP does enable the more recent demographic projections to be integrated into the Welwyn Hatfield OAN. Thus, using the 2016-based SNPP together with the 2014-based SNHP headship rate assumptions, indicates a starting point need for 658 homes per annum in Welwyn Hatfield, compared to the previously used starting point of 670 homes per annum. This slight reduction is not considered to represent a meaningful change, and does not suggest that the OAN of 800 homes per annum should be revised, when taking account of a worsening of market signals and allowing for an increase in younger household formation.
- 2.7 In our assessment, Turley have demonstrated a comprehensive and robust analysis of testing the implications of the 2016-based SNPP and SNHP on the Welwyn Hatfield OAN. In view of the very clear close alignment between the 2014-based SNPP and the 2016-based SNPP, we consider that the approach of incorporating the latest demographic projections into the starting point for the calculation of the OAN is both pragmatic and sensible. The continued use of the 2014-based SNHP accords with the policy advice being given by the Government regarding the use of those projections and follows the practice being adopted in similar Local Plan examinations at this current time.
- 2.8 We therefore fully support the data analysis and assessments contained in document EX103A, and we would urge the Inspector to take account of this updated analysis in his assessment of the projected housing need for Welwyn Hatfield. We do not identify any other factors that would suggest that this updated analysis should not be considered.

3.0 Document EX103B

- 3.1 This document is a technical note prepared by Turley in June 2019 on behalf of Welwyn Hatfield Borough Council entitled “*Welwyn Hatfield Local Plan Technical Note: Implications of a new plan period for the calculated housing need*”. This note has been prepared in the context of the Borough Council now considering the implications of a revised plan period for the Local Plan, in light of new evidence relating to various aspects of the draft Local Plan and the time which has elapsed since its submission.

- 3.2 The note refers to modelling over the alternative plan period that was initially envisaged by the Council (2016-2034). However, in view of the fact that adoption of the Plan is unlikely before 2020 and, to make provision for a 15-year plan period, it also considers the implications of a further extension to 2035.
- 3.3 Section 2 of the document notes that over the period 2016-2034, using the 2014-based SNPP and 2016-based SNPP together with the 2014-based SNHP headship rates, there is a slightly more pronounced 7% difference between the household growth projections than was the case over the period 2013-2032 (c.f. Tables 2.1 and 2.2 in the note).
- 3.4 The note therefore considers the previous application (in Examination Document EX82 - March 2018) of an adjustment to younger household formation rates to address an underlying assumption that an evidenced historic suppression is sustained. This indicated a need for 721 dwellings per annum over the period 2013-2032, and when adjusted for the period 2016-2034 indicates a slightly reduced need for 698 dwellings per annum.
- 3.5 The note does not seek to present an updated OAN for Welwyn Hatfield, but to consider the implications of a new plan period for the calculated housing need. In reviewing the drivers of need over the period 2016-2034, it concludes that:
- in view of the close alignment between the 2014-based and 2016-based SNPP, the use of the 2016-based SNPP is considered appropriate (as reflected in EX103A);
 - the 2014-based SNHP household formation rates should be retained (as also reflected in EX103A);
 - using this combination of official projections, the implied annual demographic need for housing in Welwyn Hatfield would be modestly reduced over the period 2016-2034, principally due to a differing age profile;
 - any such reduction is entirely offset on an annual basis where allowance is made for a recovery in younger household formation as shown in Table 4.1 of the note reproduced below, showing an adjusted demographic projection; and

Table 4.1: Considering Adjustments to the Objectively Assessed Need (2016-34)

	2013 – 32	2016 – 34	
	Current OAN	2014-based SNPP	2016-based SNPP
Starting point	670	651	605*
Adjusted demographic projection	721	726	672
Objectively assessed need (rounded)	800	800	800
Cumulative uplift from 'starting point'	19%	23%	32%

Source: Turley; Edge Analytics

* 2016-based SNPP with 2014-based headship rates

- there is evidence of a continued worsening of market signals since the 2017 Update was prepared.
- 3.6 In reviewing all of these factors, the note considers that “*the current, rounded OAN of 800 dwellings per annum continues to appear reasonable and justified over an alternative period*”. The principal adjustment that would apply over an alternative plan period is that there is a cumulative uplift of between 23% and 32% to the OAN starting point (using the 2014-based and 2016-based SNPP respectively), compared to a cumulative uplift of 19% applied to the current plan period. The note acknowledges that it is not seeking to define an exact level of uplift, but to recognise the justification for an additional level of headroom to respond to market signals etc.
- 3.7 Finally, the note states that the concluded OAN of 800 homes per annum can be applied over the period from 2016 to 2034, and that its rounded nature means that it would be reasonable to extrapolate that annual figure one year forward to 2035 if considered necessary.
- 3.8 In our assessment, Turley have demonstrated in document EX103B that there are over-riding factors that would require the calculation of a revised OAN for Welwyn Hatfield, should a revised plan period of 2016-2034 or 2016-2035 be considered as part of the examination of the draft Local Plan. It is clear that some considerable time has now elapsed since the submission of the Plan for examination, and that if the Plan is not adopted until 2020 then a revised plan period up to 2035 would be preferable in order to reflect the requirement for its strategic policies to be drawn up over a minimum period of 15 years. We therefore fully support the analysis contained in document EX103B and would urge the Inspector to take account of this document in his consideration of the appropriate plan period for the Local Plan.

4.0 Document EX103C

- 4.1 This document is a note prepared by Green Balance in March 2019 for the Save Symondshyde community group, and is entitled “*Role of the 2016-based household projections in calculating dwelling requirements in the Welwyn Hatfield Local Plan*”. The note advocates the use of the 2016-based Sub-National Household Projections (SNHP), published by the Office for National Statistics on 20 September 2018, for the calculation of housing need in Welwyn Hatfield.
- 4.2 The note calculates that by using the 2016-based SNHP, the dwelling requirement for the Local Plan is reduced by 1,845 dwellings over the period 2013-2032. It goes on to suggest that this “*would take discernible pressure off the case for releasing land for housing from the Green Belt*”, and that “*we consider Symondshyde (with its proposed 1,130 dwellings) to be the prime candidate to benefit from such a reduction*”. The note cites other Local Plan Examinations at Guildford, Broxbourne and Runnymede where Inspectors sought to consider the 2016-based SNHP in greater detail.
- 4.3 We disagree with the approach being suggested by Green Balance in document EX103C. The Government has clearly demonstrated that it presently has fundamental concerns with the use of the 2016-based SNHP in the calculation of housing need. Furthermore, we comment that the calculation produced by Green Balance is not a

recalculation of housing need in Welwyn Hatfield; it is in simple terms merely a reduction of the OAN by the difference between the 2014-based SNHP and the 2016-based SNHP. We view this as a flawed approach to the calculation of an updated housing need figure and consider that the approach taken by Turley in document EX103A represents a far more rigorous and robust approach to understanding the implications of the 2016-based SNPP and SNHP on the Welwyn Hatfield OAN.

- 4.4 We urge the Inspector to disregard the approach being advocated in document EX103C in his consideration of the projected housing need for Welwyn Hatfield, and instead to take full account of the analysis undertaken in documents EX103A and EX103B which has clearly been based upon a robust and sound methodology.

5.0 Document EX103D

- 5.1 This document entitled “*Technical Review of the Submission by Green Balance for Save Symondshyde*” has been prepared by Turley on behalf of the Borough Council in order to address the points raised in document EX103C.

- 5.2 The document concludes, at paragraph 14, by stating that (Turley) have acknowledged the background context to the use of the 2016-based SNHP and have scrutinised the 2016-based projections, “*identifying specific issues with the assumed rates of household formation in Welwyn Hatfield which are shared by the Government and conceded by the ONS in the context of the national dataset. It is the conclusion of the commissioned technical papers prepared in 2018 and 2019 that accounting for these issues and applying the PPG methodology in full continues to indicate that in the order of 800 dwellings per annum are needed in Welwyn Hatfield*”.

- 5.3 We entirely agree with the above conclusion, and urge the Inspector to take full account of document EX103D.

6.0 Conclusion

- 6.1 To conclude, we fully support the data analysis and assessments contained in documents EX103A and EX103B and consider that the Inspector should take both of these documents into account in his continuing examination of the Local Plan. We consider the approach advocated within document EX103C to be fundamentally flawed, and that it should be rejected as an approach to identifying and confirming the OAN for Welwyn Hatfield. We further consider that by endorsing the assessments contained in documents EX103A and EX103B, the Inspector would be able to avoid any further significant delays in the Examination of the Plan.