

North Hertfordshire District Council

**Examination of the
North Hertfordshire Local Plan 2011 - 2031**

**Updated Schedule of
Further Matters, Issues and Questions**

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Where respondents answering the following questions identify a deficiency in the Local Plan they should make clear how it should be changed.

Matter 21 – the objective assessment of housing need (‘the OAN’) and the housing requirement

Based on the Council’s original calculation of the OAN, Policy SP8 of the Local Plan sets out the housing requirement for the period 2011 to 2031. As submitted, it commits to the delivery of 14,000 new homes to meet the needs of North Hertfordshire and 1,950 new homes to meet unmet housing needs arising from Luton – being a housing requirement of 15,950 in total.

The Planning Practice Guidance (‘PPG’) supporting the National Planning Policy Framework 2012 (‘the NPPF’) says:

“Wherever possible, local needs assessments should be informed by the latest available information. The National Planning Policy Framework is clear that Local Plans should be kept up-to-date. A meaningful change in the housing situation should be considered in this context, but this does not automatically mean that housing assessments are rendered outdated every time new projections are issued.” (Paragraph: 016 Reference ID: 2a-016-20150227)

Subsequent to the last hearing sessions, 2016-based population and household projections were published. The Council considered the implications of these projections in its note ‘Implications of new household projections for NHDC Local Plan’ [ED159]. This also considered the implications of using the ‘Standard Method’ introduced through the new NPPF published in 2019. I raised some issues in relation to the figures used in ED159 in my letter to the Council dated 9 July 2019. Paper A of the Council’s response to my letter re-considered these figures.

However, on 29 June 2020 the ONS published 2018-based household projections. I wrote to the Council on 8 July [ED190] seeking its view on whether, among other things, the 2018-based projections represent a ‘meaningful change in the housing situation’. The Council’s response to my letter and the various questions raised is provided in two papers, ED191A and ED191B. This represents the Council’s updated position on the matters covered.

ED191A sets out a revised calculation of the OAN. This concludes that 11,500 dwellings is now the most appropriate OAN figure for 2011 to 2031. The Council considers this to be a ‘meaningful change in the housing situation’.

The three ‘East of Luton’ sites are proposed to deliver 1,950 new homes to assist in addressing the unmet housing needs of Luton Borough. From Luton’s adopted local plan, the unmet need is identified as being 9,300 homes over the plan period of 2011 to 2031. From the indicative OAN figures for Luton set out in ED191A, the unmet need is 8,200 dwellings. The Council concludes that this does not represent a ‘meaningful change in the housing situation’.

As I understand it, the Council intends that the housing requirement should be modified in the light of the revised OAN calculations, and that an overall requirement of 13,000 dwellings is proposed, comprising of 11,600 to meet North Hertfordshire’s needs and 1,400 to help address unmet needs in Luton.

21.1 Has the revised OAN figure for North Hertfordshire been arrived at correctly/on a robust basis and are the key assumptions made reasonable?

- 21.2 In the light of this, has there been a ‘meaningful change in the housing situation’ in North Hertfordshire?
- 21.3 If there has been a ‘meaningful change in the housing situation’ in North Hertfordshire, should the Local Plan’s housing requirement be modified to reflect it?
- 21.4 Has the indicative OAN figure for Luton been arrived at correctly/on a robust basis and are the key assumptions made reasonable?
- 21.5 In the light of this, has there been a ‘meaningful change in the housing situation’ in Luton?
- 21.6 If there has been a ‘meaningful change in the housing situation’ in Luton, should the East of Luton sites be modified or deleted from the Local Plan?

Matter 22 – the supply of land for housing

ED191B updates the Council’s estimates about the overall housing trajectory – the amount of new housing likely to be delivered for each year of the plan period – and the five year supply of land for housing. From the Council’s updated estimates about when housing sites are now likely to deliver new homes, and its calculations of the level and timing of delivery against the overall and five year requirements, it appears that:

- the overall housing requirement in Policy SP8 as originally submitted cannot now be met for the period 2011 to 2031, although it could be if the housing requirement were to be modified to reflect the updated calculations of the OAN; and
- the Council will not be able to demonstrate a five year housing land supply when measured against draft Policy IMR1 (a policy which was put forward by the Council through a main modification, MM372)

ED191B sets out the way in which the Council considers these issues can best be resolved.

The overall supply of land for housing

- 22.1 As mentioned above, the Council proposes to reduce that overall housing requirement to 13,000 dwellings - 11,600 to meet North Hertfordshire’s housing need and 1,400 to help address Luton’s unmet housing need. As I understand it, this is coupled with a commitment previously put forward by the Council to an early review of the Local Plan. The Council anticipates the delivery of 14,650 dwellings over the plan period. It does not propose to delete from the Local Plan any of the housing sites included within it, and argues that the difference between anticipated delivery above the requirement represents a appropriate ‘buffer’ (of around 13% of the overall housing requirement). In arriving at these views, the Council has considered a number of alternative options, which are set out in its previous note and in ED191B.
- a) Is reducing the overall housing requirement to 13,000 and undertaking an early review of the Local Plan, the most appropriate way forward? If not, why not?
 - b) If the housing requirement should be modified to 13,000 dwellings, should the supply of housing sites proposed in the Local Plan also be reduced? If so, how?
 - c) Is a ‘buffer’ or around 13% an appropriate approach? If not, why not?

- d) If there is a 'buffer' of around 13%, do the exceptional circumstances required for the 'release' of land from the Green Belt for housing development exist?

Note: *this question relates solely and explicitly to the effect of introducing a 'buffer' of housing land supply on the existence or otherwise of exceptional circumstances – responses must address this point only, as the wider question of exceptional circumstances has already been explored at length through the examination.*

The five year housing land supply

22.2 ED191B sets out a number of different approaches to calculating the five year supply of land for housing. By the Council's calculations, only one of these approaches – a 'three-stepped approach' based on using the 'Liverpool method' (spreading the shortfall in delivery since 2011 evenly across the remainder of the plan period to 2031) – would enable the demonstration of a five year housing land supply for each of the next five years. From my reading of ED191B, alongside the Council's previous note, the Council's position (in short summary) is that this 'three-stepped approach', combined with the commitment to an early review of the Local Plan, is the most appropriate method for setting the five year housing land requirement, because it is the only option achievable without significant further delay to the examination.

- a) Are the Council's calculations correct/accurate?
- b) All of the approaches used by the Council assume that the buffer required by paragraph 47 of the NPPF should be 20% - that is to say, that there has been a record of persistent under-delivery of housing in the District. Has there been, such that the 20% buffer is the most appropriate?
- c) Is the 'three-stepped approach' proposed by the Council the most appropriate method for setting the five year housing land requirement? If not, why not?
- d) Is one of the other approaches to setting the five year housing land requirement explored in ED191B, or another approach entirely, more appropriate? If so, why, and:
 - (i) what should the Council do to ensure that it can demonstrate a five year supply of land for housing under this approach?
 - (ii) what would taking this approach mean for the progress of the Local Plan examination?

Matter 29 – the recent changes to the Use Classes Order

On 21 July, the Government published The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020. These come into force on 1 September 2020.

The amendments to the Use Classes Order:

- Revoke Class A (shops) and Class D (non-residential institutions and assembly & leisure)
- Create a new broad 'Commercial, business and service' use class (Class E) which incorporates the previous shops (A1), financial and professional services (A2), restaurants and cafes (A3) and offices and other business uses (B1) use classes. Uses such as gyms, nurseries and health centres (previously in use classes D1 Non-residential institutions and D2 Assembly and leisure) are also within Class E. It also

includes “any other services which it is appropriate to provide in a commercial, business or service locality.”

- Create new use classes for ‘Learning and non-residential institutions’ (F1) and ‘Local community’ (F2), “to ensure that those uses which are important to local communities can be protected through the planning system.”
 - The ‘Learning and non-residential institutions’ use class (F1) incorporates those uses from the former (D1) ‘Non-residential institutions’ use class which are more likely to involve buildings which are regularly in wider public use such as schools, libraries and art galleries.
 - The ‘Local community’ use class (F2) groups together those uses from the former D2 use class which provide for group activities of a more physical nature – swimming pools, skating rinks and areas for outdoor sports. It also includes the use of buildings where this is principally by the local community.
 - Use class (F2) also includes what would be considered shops servicing the essential needs of local communities recognising the importance of small, local shops to their communities. This is defined as a shop mostly for the sale of a range of essential dry goods and food to visiting members of the public where there is no commercial class retail unit within 1000 metres and the shop area is no larger than 280m².
 - Remove the former A4 ‘Drinking establishments’ and A5 ‘Hot food takeaway’ use classes which will now not fall within any use class. Additionally, cinemas, along with concert, dance and bingo halls, which fell within the former D2 use class will now not fall within any use class. This will mean that changes to and from these uses will be subject to full local consideration through the planning application process.
 - Include transitional provisions which retain the effect of the permitted development rights based on the classes that were in place prior to these regulations coming into force. A building or use will continue to be subject to any permitted development rights that it was entitled to on or before 31 August 2020. These transitional provisions will remain in place until 31 July 2021 when new, revised permitted development rights will be introduced.
- 29.1 Do any of the Local Plan policies – particularly, but not limited to, those relating to the economy and town centres – need to be modified to reflect the changes to the Use Classes Order that will come into effect on 1 September 2020?